THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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WEST WILL HAVE GREATER SPENDING POWER THAN EVER

Measured in Purchasing Power Crop Will Break Records

325,000,000 BUS.

This Will Bring Value of Crop to Around Four Hundred Million Dollars

By J. W. TYSON,
Editor, The Financial Post.

WINNIPEG.—More money for business out of the crop this year than from any previous harvest the west has known. That is a prediction that can still be made, although during the past ten days heat and drought have taken their toll, but it is a prediction that needs some elucidation. A close student of the Winnipeg grain market, who is also thoroughly in touch with the farming situation, reads the present developments in the price of wheat as indicating a crop of about 325,000,000 bushels. He is inclined to look for more, but admits that it is difficult to judge what damage is being done by the heat. Even so, he makes the forecast given above. He believes that the return to the farmer should run to more than $400,000,000, or a little more than was received from the high priced crop of 1917, but in that year there was a condition of agricultural inflation which made an entirely different business situation. Business should benefit to a much greater extent from the crop this year than from those of 1924 and 1923, because they were very largely debt paying. To what extent there are remaining obligations to be paid off is a question which can hardly be answered, but there can be no doubt that during the past two years substantial progress has been made in getting back to a sound basis. A great many farmers, particularly in Manitoba, have as the result of careful management and adopting mixed farming, been able to get on an even keel where they are in a position to farm successfully under ordinary conditions. Seeding costs have been reduced and threshing costs should also be more favorable, and these things help the farmers' margin of profit. Of course, even though cutting is now started, a good deal can happen to the late crop in the next month. However, the market shows a tendency to strengthen, as prospects for yield are reduced, and this promises to maintain cash returns on the basis indicated, unless the crop meets with serious disaster.

West's Tempered Optimism

General business has been slowly improving in the west for some time. During the past two years pessimism has been replaced by a tempered optimism. Prices indicate keen competition for trade. There are just as many cents in the western dollar today as in the dollar spent in the east. There is a healthier situation all round.

The railroads, for instance, report an appreciable increase in their merchandise car loadings. This is not very evident in the total figures, because of the smaller movement of grain, but it is very real and it is important as an indicator. There should be considerable money this year available for the purchases of implements and for the building improvements which have been deferred now for some years. Already there is some evidence of new spending in anticipation, but there is not the tendency on the part of the financial or commercial institutions or on the part of the individual farmers either to discount the future as was done some years ago. The revenue from the crop will be carefully handled, but business should benefit substantially.

Page-Hersey Gets Pipe Contract Worth $188,000

The Page-Hersey Company has secured the contract to supply pipe for the gas line from the Turner Valley field to Calgary, being laid by the Canadian Western Natural Gas Co., involving $188,000.

MUST FOLLOW U. S.

From the Monthly Letter of The Canadian Bank of Commerce.

Industry is still struggling against a heavy burden of taxation and a high overhead, and it would appear as though little improvement can be expected until the various governments of Canada adjust their system of taxation in some such manner as has already been done by the Federal Government of the United States. It may be too much to credit the adjustment which has already taken place in that country with the greater business activity which is in evidence there, but there can be little doubt that it has had a considerable effect.

Shall Canada Join Its Rail Systems?

* * * *

Question Can Not Long be Avoided

IS CANADA attempting to resist the inevitable in operating two competitive railway systems?

Quietly, but with certainty, the public thought has begun to focus on this question. There have been many evidences in the past few months that public men in Canada are thinking of the railway problem in a broader way than at any other time during the past few years.

Men are forgetting the combat of interest between private ownership and public ownership, a combat more apparent than real. They are forgetting the political hopes and jealousies that have entangled free discussion of the railway problem. They are even losing any particular feeling of good will they have held for either the Canadian Pacific or the Canadian National to the exclusion of the other line.

All they are thinking is that we have not made any real progress in curtailing taxation; that little progress can be made along that line without stopping the drain at the railway bunghole; and that our present national railway organization, with a government-owned road and a privately-owned road fighting it out for business that is not ample for both, has failed to stop that drain.

That being so, runs the argument of those who are now pondering deeply on this problem, must we not search around for a real solution; a bold, sweeping stroke that will stop for no petty obstacles of political jealousies, sectional differences and personal ambitions?

The Three Suggestions Made

Inevitably, attention has been directed again to Lord Shaughnessy's suggestion for a solution of the railway problem; that the Canadian Pacific should take over the Canadian National lines. The far-sighted genius of the great railway captain is more apparent to-day than ever. One may disagree with his particular solution of the problem while admitting that he clearly foresaw that amalgamation and the elimination of duplicated efforts would be essential. Lord Shaughnessy's suggestion, frowned upon almost universally when he made it a few years before his death, is being mooted in many quarters in Canada to-day. There is suggested, too, the other form of amalgamation; the purchase of the Canadian Pacific Railway by the Canadian people on a plan that would provide a guarantee of dividends for the owners of the C. P. R.

The plan of the Canadian senate committee was somewhat different; it provided for direct amalgamation, under directors jointly named by the owners of the C. P. R. and the owners of the C. N. R., with suitable guarantees for the C. P. R. shareholders.

An amalgamation on any one of these three lines would be the greatest business merger in history; the most gigantic financial and operative transaction that ever called for vision and courage. But it is the seriousness of the ache that demands such an enormous dose of curative medicine.

Problem Now Demands Solution

Canada can not now refuse to bring the most searching light to bear upon this possible solution of our economic ills. Perhaps it is not important how the solution is found so long as it is found, but it will not be found without open discussion.

The problem has to be brought into the open. There should be an end to pamphleteering on the subject by organizations that will not print their names on the brochures they pay for. There has to be an end to the timidity that prevents business men from speaking their minds on the subject lest they be accused of talking politics. There has to be an end to pussy-footing by government leaders who cannot see that it is not a C. N. R. problem, nor a C. P. R. problem, nor a Western problem, nor an Eastern problem, but a national problem.

The nation has to solve the railway problem or the railway problem will dissolve the nation.

MONTREAL POWER AND SHAWINIGAN REACH NEW LEVEL

Will Shares Continue to Move Upward? — The Future Trend

From Our Own Correspondent.

MONTREAL.—The shares of both the Montreal Light, Heat and Power Consolidated and the Shawinigan Water and Power Company are now at record levels. This week, "Power" for the first time touched the 200 mark and Shawinigan, at its present level of around 165, is also at a new high; naturally, the investor in either stock at this time begins to figure out his gains and considers the possibility of selling and taking his profits, or of holding and awaiting future developments, so at the moment a brief summary of these two closely connected companies should prove of interest.

At the outset it may be said that in the past both stocks have proven their value as a long hold investment, and the present market enhancement of values presents no reason for changing this view, which has long been held by those who know the companies best.

Both Companies Involved

Both companies are closely associated as to ownership. Some directors sit on both boards and Shawinigan owns a good block of stock in "Power," while it is more than probable that Montreal "Power" owns stock in Shawinigan. Moreover, both companies, through stock ownership, jointly control the United Securities which, in turn, owns all the hydro-electric projects which came into being through the efforts of the E. A. Robert interests. The United Securities have control also of the Montreal Tramways. Between them the two companies own or control the entire supply of electricity on the Island of Montreal.

Shawinigan owns several companies outright, in which are included two electro-chemical concerns and it controls the traction companies at Quebec City and Three Rivers.

Montreal Power, in order to meet a portion of its power requirements, purchases a considerable block from the Shawinigan company; all these things go to prove that it is impossible for one or other of these organizations to progress without the other. Most investors know that both companies are in the best financial shape and that over a period of many years earnings have gone back into both businesses; these factors may be ignored in the present discussion—what then is the hope for the future with regard to increasing power demands?

The Future of the Territory

The future is bound up with the future of the province of Quebec and the City of Montreal. With the latter territory, there appears nothing which can hinder its continued growth, for in the first instance, it must always remain the gateway of Canada. With the province itself, the future looks bright. It has the best of labor conditions, is expanding industrially and, in addition, the industries natural to this particular part of Canada are growing. Pulp and paper companies here are in good shape, some are expanding, whilst more are being built. Precious metal mining will soon obtain a good foothold in the northern portions of Quebec, and the only blot on the picture

(Continued on page 5)

Leaders See Need for Tax Reduction; Is General Public Still Blind to Need?

Men Who Control Great Canadian Financial and Business Institutions Do Not Hesitate to Declare Tax Relief the Supreme Need of the Moment in This Country

"THE outlook for lower taxes is not very bright." This sentence, in a letter written to The Financial Post by one of the biggest business men in the country, largely interested in milling, seems to reflect much discouragement.

It is unfortunate that this man or any other business leader, convinced of the absolute necessity of tax reductions as a foundation for prosperity should have to come to the conclusion that these vital, necessary tax reductions can not be had as they have been had in the United States. And yet here is his view; he is convinced that although tax reduction is possible and must come before any real business improvement that it is not on the horizon.

If tax reduction is not in sight then the reason is clear. It is because there is no powerful, insistent public demand for tax reduction strong enough to force political action. The average man grumbles about his income tax but he does little more. It is only the outstanding business and financial leaders of the country who have definitely crystallized in speech their views on national economy. They have given the lead to the country's thought but as yet the country has not taken up the cry.

Even business men—apart from the outstanding leaders—have failed to grasp the significance of tax reduction; have failed to see that it is a national question affecting them directly; that it is not a political issue. The recent articles in The Financial Post have brought many favorable comments from readers; men, who in many cases have great interests at stake in Canada. And in letter after letter appears the request that the name of the writer not be used in connection with his views. He does not want to be drawn into controversy or he does not want to be accused of talking politics. It is such timidity among men who should be shouting their views from the house tops that is contributing to public indifference on this important question.

There will have to be a more urgent clamor for tax reduction throughout city and hamlet, in every office and factory and in every school and home before effective economy reigns as the political policy of the country.

The kind of public opinion that has strengthened the hand of Calvin Coolidge in his two billion dollar cut in United States federal expenditures, is the kind of public opinion that is needed in Canada; a forceful demand, strong enough to give power to the arm of any political leader who will hazard a few votes on the public welfare.

While the public generally in Canada is almost indifferent on the question of government saving, a few leaders of business and finance, who see a directly heavy taxation is draining the resources of the enterprises they have built up through years of forward thinking and masterly toiling, are certain of the need. Seldom in the history of Canada have so many vigorous pleas been made for any one policy as have issued this year from the lips of banking and business leaders in Canada. Such men see the pressing need; they have voiced their opinion of the remedy. They are willing to accept any consequences of economy as it affects government expenditures in which they might benefit. They want the one result of the economy and tax reduction; they demand a chance to rebuild prosperity.

Here are some of the important declarations on the subject of government expenditures that have been publicly made in Canada in the past few months. They bear re-reading for the leadership they give to the thought of the people:

SIR HERBERT HOLT,

President, the Royal Bank of Canada; President Montreal Light, Heat and Power Cons.

"Foremost among our problems is taxation. I am not going to pass this subject over with a few conventional remarks on the necessity of reducing our tax burdens, because the situation, to my mind, is very serious indeed. We have in Canada a framework of railroads and cities and municipalities, a country-wide organization which must be supported by more people and greater activity in industry if failure is to be avoided. Our policy should be to encourage development and to make Canada an attractive place to live and do business in, yet, in fact, we are allowing ourselves year by year to sink into a less and less favorable position, as compared with other countries, notably our neighbors to the south. While Great Britain and the United States are steadily reducing taxation, Canada makes no progress, continues to spend too much money and struggles along under a burden of Federal, provincial and municipal taxes of all kinds. I am aware that the receipts of the Federal Government are now barely sufficient to cover current expenditures, but that does not mean that nothing can be done. The Geddes Committee in Great Britain instituted drastic economies, while the Budget System installed in the United States by General Dawes has literally cut Federal expenditures in half in the course of three years and reduced their debt by over $5,000,000,000, and this in a country where the necessity for economy is far less pressing than it is in Canada. I recommend the establishment in this country of a Central Budget Bureau, similar to that in operation in the United States, directed by an efficient and non-partisan officer who would understand that, so long as many of our citizens and companies are struggling to make both ends meet, public funds must be spent on bare necessities alone. I must repeat that we are drifting into a very serious situation and that unless economy soon becomes a fact rather than a vague promise, the damage to the country will be almost irreparable.

"I would like to quote some of the remarks of President Coolidge on the subject of high surtax rates on incomes. He said: 'I agree perfectly with those who wish to relieve the small taxpayer by getting the largest possible contribution from the people with large incomes. But if the rates on large incomes are so high that they disappear, the small taxpayer will be left to bear the entire burden. If, on the other hand, the rates are placed where they will produce the most revenue from large incomes, then the small taxpayer will be relieved.'

"Let me emphasize here that it is not the wealthy who are the greatest sufferers from high surtaxes, but the rank and file of the people, who find it difficult to secure employment when industry is stagnating, and those who should be investing their money in new enterprises find no incentive to do so. Such a situation can only end in capital leaving Canada to find employment in the

(Continued on page 11)

International Paper Not Cutting Price This Year, Says President Graustein

Next Year Will See Lower Prices for Newsprint

HOLD PRICE THIS YEAR

Lead of Price-Cutters Not Being Followed by Newsprint's Biggest Unit

From Our Own Correspondent.

MONTREAL.—It is significant that A. R. Graustein, the president of the International Paper Company, says that his company is selling and will sell newsprint during the current year at a price of $70 a ton f.o.b. mill. To quote Mr. Graustein's exact words to The Financial Post:

"The International Paper Company has not sold any newsprint in the United States or Canada for delivery either up-to-date of this year, nor for any part of the balance of this year, at less than regular price of $70 a ton f.o.b. the mill."

From time to time The Financial Post has pointed out that some of the newsprint companies, while not actually cutting prices, were in certain instances making freight concessions which, as far as the purchaser is concerned, amounted to the same thing as a slight reduction in the price of newsprint. Some days ago, Mr. Graustein gave an interview to United States papers, in which he stated that the International Paper Company would sell for the rest of the current year at $70 a ton, but the newspaper reports did not say at what point this price was made. The Financial Post got in touch with Mr. Graustein and his statement is doubly significant, as it seems to leave little question that the other two big factors in the newsprint industry are also selling at this price. The two other big factors in the industry are the Canadian Export Paper Company and the George H. Mead Company. The former handles the export sales of Laurentide, Price Brothers and Brompton, while the latter sells for Abitibi and Spanish River.

The International Paper, The Canadian Export Paper Company and the Geo. H. Mead Company probably hold about 70 per cent. of the newsprint markets and it is therefore reasonable to suppose that as International sells at $70, that the other two must also sell at the same rate. Should any one of the companies, included in this group of three, commence cutting prices it is obvious that the others must follow suit—therefore, it can be taken for granted that except for the output of one or two smaller mills, the price of the raw material for daily newspapers has not as yet been cut and will not be cut until 1926.

Of course, this only refers to Canada and the United States—there seems little reason to doubt the fact that a considerable amount of newsprint is going abroad at prices below $70 f.o.b. mill. Perhaps the investor might think, if newsprint is being sold abroad at, say, $67 a ton, that if a consumer in Canada or the United States offered the producer a price of $68 a ton for his output it would be snapped up. There is good reason to doubt this, for the paper companies have had their customers in most cases for a number of years, and for this reason, it seems extremely unlikely that any well-established company would jeopardize a goodwill

(Continued on page 4)

Brompton Obtains Valuable Limits

From Our Own Correspondent.

MONTREAL.—The Brompton Pulp and Paper Company has concluded a deal whereby it will acquire valuable limits in Aroostook County, Maine.

The deal involves an expenditure of $382,500, and the purchase places the Brompton Company in a strong position regarding future wood supplies, and will enable the company to obtain wood at as low a price as any other manufacturer in Canada. It also ensures a continuous supply of good black spruce pulpwood, which is in such demand to-day.

The deal was concluded between the McCrea-Wilson Lumber Company, a subsidiary of Brompton, and the English Lake Lumber Company. The properties secured from the latter include 110 square miles of limits on the headwaters of the northwest branch of the Saint John River above Lake Frontier. Some six weeks ago, the plant of the English Lake Lumber Company was practically wiped out by fire—hence that company's decision to sell the limits.

The acquisition will prove of additional value to Brompton, as considerable savings will be made in sorting the logs of the two companies, which, it is understood, in the past, reached a total well up in four figures.

High Taxation is Hold-Up Man

Editor, Financial Post:

The tax question is one of greatly increasing importance to the average Canadian business man. High taxation is the "hold-up man" at every corner on the road to improved business conditions in Canada to-day.

We feel that it is high time that concerted action be taken by Canadian business men to bring pressure to bear upon parliament at Ottawa to remedy this situation.

Our own business is the distribution and sale of industrial securities and it is adversely affected by heavy taxation.

We find that the man who formerly bought large blocks of such securities is now interested only in tax-exempt government bonds, owing to the fact that taxation takes such a large percentage of his income.

Take for example the man with an income of $50,000 per year. In considering an investment, other than tax-exempt government bonds, this man is faced with the fact that he must be prepared to pay one-third of the income from such an investment in federal income taxes. He would naturally expect to receive about 2 per cent. higher yield on an industrial bond than on a government bond, to compensate him for the element of risk. Therefore, as tax-exempt government bonds yield 4½ per cent., this man would have to receive a yield of 9¾ per cent. on the industrial bond in order to net him 6½ per cent., after paying federal taxes.

It would be an unsound policy for any company to pay 9¾ per cent. for money.

In this case high taxation is eliminating the best market for those engaged in the business of selling industrial bonds.

From an economic standpoint the worst feature of the above condition is that this man is offered no incentive to put his money back into the country's industries. Thus the country loses the financial support and consequent active interest of a great many of its most able business men in its industrial development.

In addition to the above, the general public are deterred from investing in industrial securities because of the feeling that industry is so severely handicapped by heavy taxation.

We would suggest that the Canadian government follow the example set by the United States government in the matter of reducing taxes. It is an established fact that the reduction of the rate of taxation in the United States has been followed by more active business and an actual increase in the amount of money collected from income taxes.

Both Great Britain and the United States have set a splendid example for us to follow in having made drastic cuts in the cost of government administration.

If this, or any other government, could be induced to put country welfare ahead of party welfare, there would be some hope of securing more business-like administration, and the cost of obtaining or retaining votes would not be such a potent adverse factor in the return to better times.

RICE, GIBSON & CO.
S. G. Rice.

Toronto.

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The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

$15,000,000 ADDED TO NET VALUE OF DAIRY PRODUCTS

Butter and Cheese Both Show Big Expansion in Output

While Canadian farming is usually thought of in terms of the raising of grain, and especially wheat, the dairy industry has been forging ahead until the value of its products has become quite an important item in the total value of farm output. Last year the value of butter, cheese, and condensed milk produced was only slightly under $100,000,000, which was an advance of $10,000,000 over the value for the preceding year, 1923.

The growth of the dairy industry is due to various factors. The reaction against purely grain farming in the West has done much to promote the growth of this industry, and the opening of the British market to Canadian cattle has had an influence in the same direction. Better methods of grading cream is also an important contributor. Then, again, better methods of production, nurtured mainly by the influence of government and academic training and experimental stations, has done much to give the Canadian products a place in the foreign markets, and has accordingly led to an increase in the output, which, it may be expected, will continue. The total number of dairy factories in operation in Canada during 1924 was 2,998, and the total value of all production was $124,143,470.

Condensed Milk Industry Expands

With the perfection of the various processes for the canning and condensing of milk, there has been a marked increase in the volume of this product sold both in Canada and abroad. The product is particularly adapted to the tropical countries where the keeping of milk presents a problem. For this reason, the volume of condensed milk sold to the countries of the West Indies has expanded rapidly, and the provision for a preference of one shilling on 48 pounds of milk is expected to increase the volume of business with the islands. The total of condensed and evaporated milk produced in Canada last year was as follows:

	Quantity lb.	Value $
Cond. milk	30,875,392	3,814,635
Cond. skim milk	3,898,553	210,538
Evap. milk	42,433,245	4,147,682
Milk powder	1,674,920	416,723
Skim milk	10,868,273	1,022,525
Ster. milk	23,163	3,760
Cond. coffee	323,328	67,028
Casein	467,279	27,126
Total value		$9,710,017

Quebec leads the provinces in the production of creamery butter with $23,325,897 worth for last year. Ontario stood second with $20,742,843, Alberta stood in third place. In the case of factory cheese, Ontario was responsible for two-thirds of the product for the entire country, her output being valued at $16,907,561, as against a total for the whole country of $24,518,734.

N. S. FISH CATCH UP

HALIFAX.—There was a big increase in the catch of Nova Scotia fisheries during the first six months of 1925, as compared with the same period of 1924, according to a statement made by the chief fisheries inspector of the province. The figures for the six months of 1925 are 103,000,000 pounds, with a landed value of $4,250,000, as compared with 88,450,000 pounds in 1924 with a value of $3,150,000. Mackerel were reported in abundance.

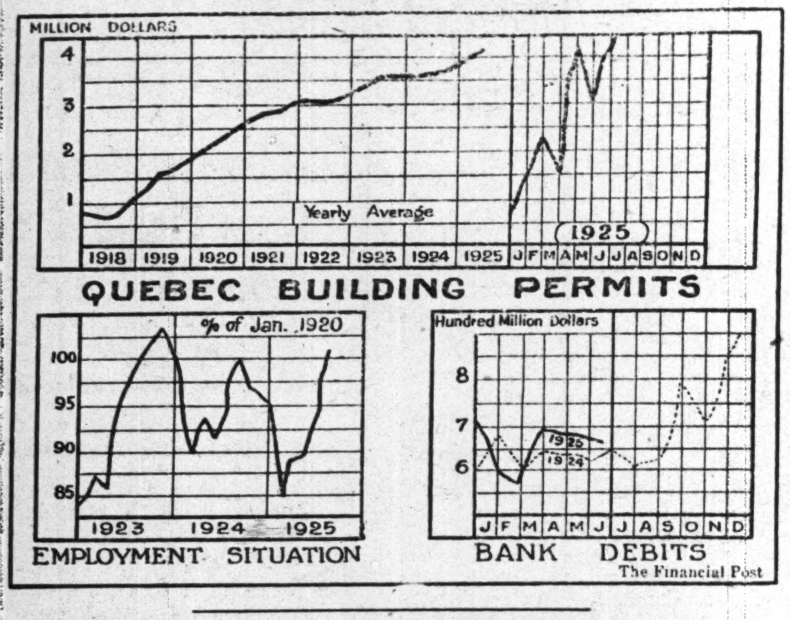
VICTORIA TO SHIP GRAIN

VICTORIA.—Definite announcement of the erection of a million bushel elevator at Victoria at a cost in excess of over $1,000,000 by the Panama Pacific Grain Terminals, Limited, has been made by J. A. Mooney, of Regina, president of the grain company, who has just completed arrangements with the Dominion government for a lease of a section of the pier site for the construction of the elevator. Work will be started shortly.

Canadian Conditions

	1925	1924	
Car Loadings—			
Week July 25	51,076	49,751	+ 2.6%
Yr. to date	1,520,995	1,599,449	—5.03%
Grain Receipts—			
Aug. 1 to July 24	258,783,320	434,268,546	—40.4%
Building—			
June	$14,651,613	$13,961,006	+ 4.9%
Bank Clearings—June—			
	$1,236,289,036	$1,257,291,652	— 1.7%
Savings Deposits—Chart. Banks—			
May	1,259,879,335	1,204,816,866	+ 4.6%
Oper. Exp.	101,801,397	112,233,128	— 9.3%
Current Loans—By Banks—			
May	909,091,414	989,305,863	— 7.9%
Net Dominion Debt—June 30—			
	$2,378,619,626	$2,389,912,241	— 0.4%
Railway Earnings—			
June—			
C. P. R.	$13,464,647	$15,135,633	–11.03%
Oper. Exp.	11,880,196	12,675,983	— 6.3%
Net	1,584,451	2,459,650	—35.6%
6 Months—			
C. P. R.	$75,155,819	$84,656,917	—11.2%
Oper. Exp.	67,356,173	73,266,833	—8.06%
Net	7,799,646	10,390,084	—24.9%
June—			
C. N. R.	$18,204,662	$19,678,067	— 7.5%
Oper. Exp.	18,637,038	20,604,250	— 9.5%
Net (def.)	432,376	926,383	—53.3%
6 Months—			
C. N. R.	$105,543,743	114,862,558	— 8.1%
Oper. Exp.	101,801,397	112,233,128	— 9.3%
Net	3,742,346	2,629,430	+42.3%
Balance of Trade—			
12 months, June 30—			
Exp.	$1,078,546,094	$1,062,243,790	+ 1.4%
Imp.	808,896,004	854,914,878	— 5.4%
Bal.	269,650,090	207,328,912	+30.04%
July Wheat, No. 1, Nor. Winnipeg—			
	July, '25 $1.63	July, '24 (Aver.) $1.35	

Business in Quebec



QUEBEC BUILDING PERMITS

EMPLOYMENT SITUATION

BANK DEBITS

The Financial Post

Quebec Expects $50,000,000 Increase in Crop Values

New Industrial Projects Are Providing Work for Laborers and Orders for Other Industrial Plants

THE prospect of an increase of from $25,000,000 to $50,000,000 in the value of the crop of the province of Quebec comes as an agreeable surprise after various announcements that the excess of moisture received in the province had been very detrimental to the growing grain. It is estimated by government officials that the value of the field crops will be between $175,000,000 and $200,000,000, against $139,359,000 last year. Such an increase, if realized, will prove a very material stimulus to business.

Building operations have been proceeding on a large scale during recent months throughout Quebec. The volume of permits issued has increased from less than $1,000,000 for January to nearly $4,500,000 for June, and the total for the six-month period is in excess of that of any recent year with the exception of 1923, being $16,673,487 for six cities. For the entire province the value of contracts awarded during June was $10,530,900, made up chiefly of business and residential buildings. Road, bridge and street construction, was also a large part of the total. These operations are providing employment and distributing a large amount of money in the province. There is also a large amount of contemplated new construction.

Improvement in Industry

An improvement is evident in many of the manufacturing lines. The pulp and paper industry continues active, and some improvement is reported in the asbestos outlook. Work will start shortly on the huge water power development scheme of the Ontario Pulp and Paper Company at Manicouagan. This and other power and pulp undertakings provide business for the equipment industries. The textile lines are more active, and it is reported that the Dominion Textile Company may shortly commence the production of rayon, or artificial silk. The construction of the huge aluminum plant on the Saguenay will involve the expenditure of $100,000,000.

The Port of Montreal has carried off the laurels as the largest grain exporting port in the world for the fourth successive year. None of the other ports have ever even approached the record for grain handling reached by the Port of Montreal in its seven months' season of navigation, 1924, viz., 165,139,399 bushels received and 159,159,688 shipped.

There is still a heavy influx of immigrants through the port of Quebec, although the number is smaller than last year. Since the opening of navigation, to July 9, the number of newcomers was 29,485, against 40,904 last year.

The number of tourists visiting Quebec this year is the largest ever, according to observers. It was estimated that the tourist traffic last year was worth $30,000,000 to the province, and there is every probability that the figure will be in excess of $50,000,000 this year. The large number of conventions being held in the province also brings a considerable amount of money in each year. Twenty conventions, with an estimated attendance of more than 5,000, have been booked for the months of August, September, and October.

Merchandising Turnover

Retail and wholesale business reflect the gradually improving conditions, but there is no radical change. The weather has somewhat impeded the sale of summer goods in the dry goods lines. Hardware houses report reasonably good business, and, in general, the volume of trade exceeds that of a year ago.

Judging from current conditions and the present outlook, the province of Quebec should experience a period of materially improved conditions during the coming months. The revenue, as shown, has expanded very decidedly. Employment has improved steadily since January. Building has increased steadily, and the crop outlook is unusually good.

Maritimes Like B.W.I. Treaty But Doubt New Boat Proposal

"I am not an authority on this subject, but from what knowledge I have of the way in which the trade has been carried on in the past by our Halifax-West Indies merchants, I feel that a continuation of their efforts along with the other Canadian houses is the best method of holding and increasing the trade as condition warrants," stated D. R. Turnbull, managing director, Acadia Sugar Refinery Company, and president of the Halifax Board of Trade.

"It is my opinion that the new trade agreement is a wonderfully good one for the British West Indies, as they will undoubtedly get a better price for their bananas, and the additional steamship service offered should be a great joy to the buyers and sellers, both in Canada and the West Indies. You will be in a position to choose your boats with prompt service, and get attractive freight rates.

"The old service was amply sufficient, and was all that the trade warranted. The new service and the extensions made are luxuries which are not ncessary, but when once inaugurated, like the railways of Canada, will have to be paid for by the Canadian people."

Don't Want Government Boats

"From what I have seen, there is not much difference between this and the previous trade agreement as far as merchandise is concerned, except the proposed free entry of bananas coming direct to Canada, and a duty of 50c. per stem when they come via a foreign country. I have very grave doubts whether this will be of any economical advantage to Canada, as there are many obstacles in the way of direct importation," stated H. R. Silver, Halifax, chairman West Indian Trade Committee of the Halifax Board of Trade.

"Regarding the new steamship proposals, they are entirely beyond the requirements of the trade, especially so far as the Jamaica service is concerned, and all we require to carry on the present West India business, and any increase that we can reasonably look for for a considerable time is the regular fortnightly or twelve-day service with four steamers. This service should be maintained in the most economical way possible, which, in my opinion, can best be done by giving a private company a moderate subsidy. The larger government scheme is not economical, in fact it is unsound, and it is well known that the government steamers are unsuitable to supply the full service required. Canada has enough debt now to pay taxation on, and this should not be increased by putting on a service in excess of the requirements of the trade."

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NO LONGER NEED PERMIT TO SHIP GRAIN WESTWARD

Abolition of Rule Will Be Big Help to B. C.

From Our Own Correspondent.

VANCOUVER.—While British Columbia grain shippers and other business interests are still pinning their hopes on favorable action by the Railway Commission on the application for equalization of freight rates on grain and flour routes westward, they feel that they have scored an important point through the action of the Canadian National Railways and the Canadian Pacific Railway in abolishing the permit system.

All grain shipments routed through Vancouver from the prairies will in future be accepted without restriction. In other words, Vancouver is placed on a par with the head of the lakes, a concession which has been fought for by the coast city for a good many months.

There are still a good many obstacles besetting this port's possibilities as a grain centre, chief among which is the disparity in freight rates. But the cancellation of the permit system has encouraged the trade here immeasurably and it is sincerely felt that real progress is being made toward steady development of the Pacific grain outlet.

The big increase in the storage and shipping facilities at Vancouver in respect to the grain business has been the determining factor. It has been purely a railroad matter right along. They would naturally shy away from any measure that would endanger their revenue, and so long as the probability of serious congestion at this end remained the railways declined to act. With the building of new piers and new elevators, however, the situation has undergone a notable change during the past two years.

Fort William has no permit system at present, yet there are frequent blockades there during the peak of the season. It is not anticipated that Vancouver will be absolutely free of similar congestion at times, but it is believed here that this port is as well equipped as any in proportion to the volume of tonnage that is likely to be handled.

The railroads will be in a good position to regulate the flow of grain to the coast, perhaps better than in respect to the eastern points, because of the latter's proximity to the source of production and the rapidity with which the movement may develop.

Removal of the permit system will tend to remove the "bogey" that seemed to have gained credence among prairie farmers that the big interests were "trying to put something over." in the opinion of local grain men. All the farmer has to do now when he wishes to route his grain to the coast is to make out a bill of lading. The complicated requirements that were a part of the permit system exist no longer.

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The Transfer Books will be closed from the 17th to the 31st day of August, both days inclusive.

By order of the Board,
J. W. HAMILTON, General Manager.
Winnipeg, July 16th, 1925.

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British West Indies Treaty Offers Canada Great Opportunity for Trade Expansion

CURRENT negotiations between the Dominion and the British West Indies which have resulted in the framing of a new trade treaty, are the culmination of a decade of developments and promotion for closer trade relations between the countries concerned. The development of our trade during the interval has amply justified the effort expended. In 1913 when the treaty was first brought forward our purchases from the British countries of the Caribbean, totalled slightly more than $9,000,000. By the fiscal year 1925, they had increased to nearly $15,000,000. In 1913 we sold them $5,000,000 worth of goods and in the fiscal year 1925 more than $12,000,000 worth. While these figures are not large in relation to the total of Canadian trade, the important feature is that we have gained the great bulk of the trade of the islands, our trade with them having increased by more than 73 per cent. during the period. The other important fact is that there is still room for a vast expansion in trade between the two countries.

Under the second trade agreement which was adopted in 1920, the British colonies of the West Indies and British Guiana in South America and British Honduras in Central America as well, granted a preference ranging from 10 to 50 per cent. of the duties imposed, the preference applying to all Canadian articles with the exception of a few especially provided for. Canada reciprocated by giving to West Indian products a preference of 50 per cent. on the duties imposed by the Canadian general tariff schedule.

Preference Increased

The new trade treaty just signed has gone a step farther. Barbados, Trinidad, and British Guiana agree to grant preferential rates on Canadian goods, which means an increase in the preference from 50 per cent. to 66 2/3 per cent. and the agreement also establishes various minimum specific preferences which are on the basis of the tariff now in force. These are more favorable in general than the 66 2/3 per cent. rate. In the case of most of the commodities in question, Jamaica undertakes to increase her preference from 25 to 50 per cent. on the general tariff. Canadian commodities affected are principally, flour, lard, butter, cheese, condensed milk, apples, shoes, prepared cocoa, confectionery, cordage, lumber and potatoes.

Considerable attention is paid to the recent Canada-British West Indies trade treaty in this week's issue of Canadian Grocer, a sister publication of The Financial Post, and from its pages the material on this page, written from the standpoint of the Canadian exporter and importer, is extracted.

Exports to the Colonies

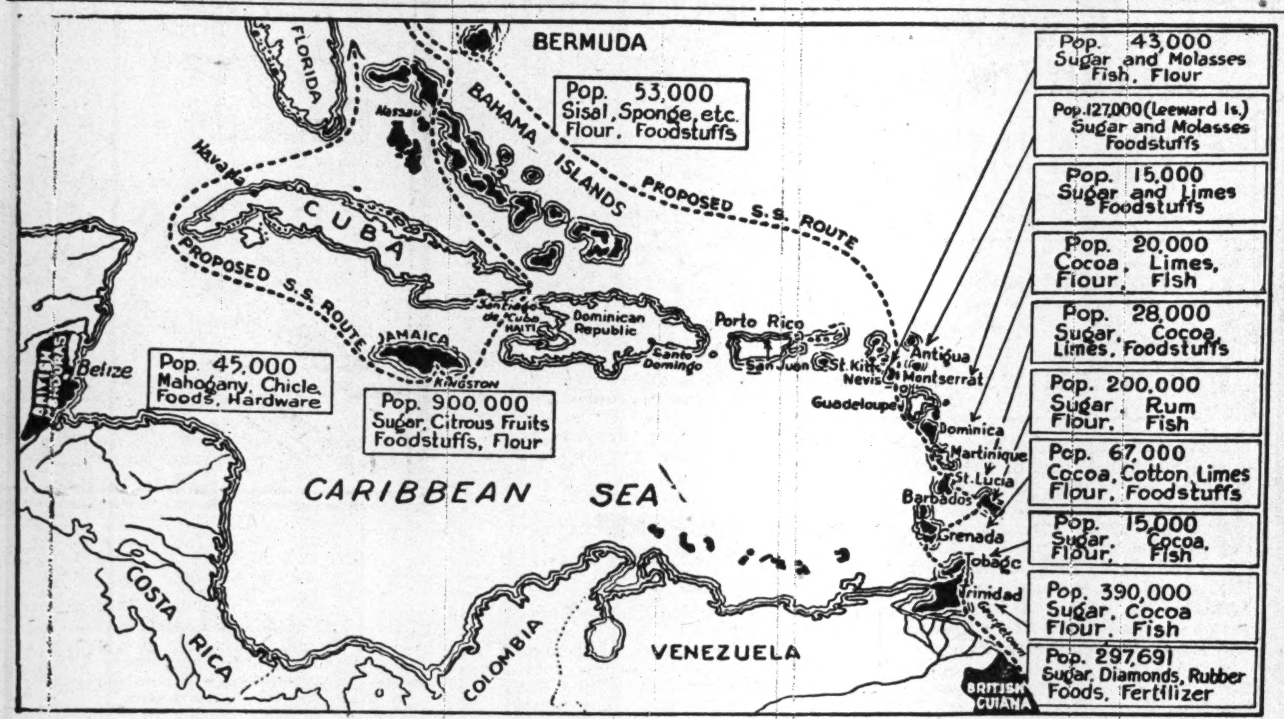
The most important item in Canadian exports to the colonies has been flour, shipments of which during the past year were valued at $5,678,909. According to indications there is room for very material expansion in this particular commodity on account of the increase in use of white bread in the island. Fish came next with total shipments amounting to $1,633,241. Condensed milk imports amounted to $775,268; oats to $530,472 and butter and its substitute to $487,002. Other important products bought from us included lumber, cattle-food, lard, meat, vegetables and rubber goods. The total value of all was $12,510,210. In the case of flour Trinidad and Tobago took the largest quantity. Jamaica stood second and Barbados third. Trinidad and Tobago purchased altogether $3,552,516 worth of goods from us; Jamaica bought $3,252,833, and other British West Indies, $2,304,696. In the case of flour, fish, soap, condensed milk, and a large variety of other commodities, there are indications that the new treaty will facilitate the further development of this trade in a large way.

Proximity of the Islands

There are various reasons why this is the case. Proximity is a prime consideration. Being British, the peoples are acquainted with British trade usage as adopted to western requirements. Coupled with this is the fact that there is scarcely any duplication of products. The tropical products of the Indies are needed in this market, and the West Indies are in need of our flour, fish, and other products. In other words, the products of the two seem to be complementary. Furthermore, the relations between Canada and the British West Indies have been made closer by the fact that Canadian banks have a large number of branches scattered throughout the islands, and on these the citizens largely depend. In this way trade relations are facilitated and our products advertised.

NEW PLANT FOR BRANTFORD

BRANTFORD.—Another industry has decided to locate in Brantford, the fourth this year. The new company will be known as the Harris Packing Company, and plans are now being prepared for the erection of a plant.



Sketch map showing proposed steamship lines to British West Indies. In the panels, the upper line shows the population of each colony; the centre line what Canada buys from the colony and the third line what we sell each colony.

The British West Indies Treaty in Brief

Concessions Canada Grants to B. W. I.

Sugar, preference ranging from 48c. to $1.12 against old preference of 46c. to 96c. per 100 pounds.

Cocoa, no increase in preference but assurance that other British colonies not giving Canada a special preference would cease to receive such. Present preference is $1.50 per cwt.

Limejuice, raw and concentrated, not refined (per gallon), a preference of 15c.

Limes, fresh, free, as against a general tariff of 15 per cent., ad valorem.

Arrowroot, per pound, a preference of one cent.

Cocoanuts, per 100 (imported direct to a Canadian port), free, as against a general tariff of 75c.

Cocoanuts, n.o.p., a preference of 50c. per 100.

Copra, free, as against a general tariff of ¾c. per lb.

Grapefruit, a preference of 50c. per 100 pounds.

Rum, a preference of $2 per gallon of the strength of proof.

Onions, free, as against a general tariff of 30 per cent. ad valorem.

Coffee, green, free as against a general tariff of 3c.

Ginger and spices, unground, n.o.p. ad valorem, free as against a general tariff of 12½ per cent.

Nutmegs and mace, whole or unground, ad valorem, free as against a general tariff of 20 per cent.

Pineapples in air-tight cans or other air-tight packages, n.o.p. the weight of cans or other packages to be included in the weight for duty per pound ½ cent.

Angostura Bitters, a duty of $5 per proof gallon.

Sponges of marine production, ad valorem, free as against a general tariff of 17½ per cent.

Concessions Granted Canada by B. W. I.

(1) All colonies except the Bahamas and Bermuda—

On spirits, i.e., brandy, gin, rum, whisky, unenumerated, potable, if tested, a preference of not less than 2 shillings 6 pence per gallon of the strength of proof.

Spirits, perfumed, unenumerated, potable, if not tested, a preference of not less than 2 shillings 6 pence per liquid gallon.

Wine, beer and ale, a preference of not less than 20 per cent.

(2) The Western group including Jamaica, British Honduras and the Bahamas—

(1) On flour, a preference of two shillings per barrel of 196 pounds.

(2) On butter, cheese, lard, condensed milk, meats of all kinds, fish, (canned, preserved, dried, salted, smoked or pickled), apples and potatoes, a preference of not less than 50 per cent.

(3) The Eastern group of islands including Barbados, Trinidad and British Guiana—

Apples, per barrel, 50c.

Beef, salted and pickled, per barrel of 200 pounds, $1.50.

Boards, planks, scantlings, shingles and lath (not of pitch pine) ad valorem—a preference of not less than 66 2/3 per cent.

Boots and shoes, ad valorem—a preference of not less than 66 2/3 per cent.

Butter, per 100 lbs., $1.50.

Cement, per cask of 400 lbs., 2 shillings.

Cheese, per 100 lbs., $1.50.

Cocoa, prepared, in Trinidad and British Guiana, per pound, 4c.; in Barbados, per 100 lbs.—Free as against a general tariff of $2.

Confectionery, an ad valorem preference of not less than 66 2/3 per cent. or 4c. per pound, according to the method of assessing the duty.

Cordage, an ad valorem preference of less than 66 2/3 per cent. of 6 shillings per 100 pounds, according to the method of assessing the duty.

Fish, canned, preserved, dried, salted, smoked or pickled, an ad valorem preference not less than 66 2/3 per cent. or 2 shillings per 100 pounds, which is to be a preference of not less than 66 2/3 per cent., according to the method of assessing the duty.

Flour, a preference of two shillings per barrel of 196 pounds.

Lard, per 100 pounds, $1.50.

Milk, condensed, per case of 48 pounds, 1 shilling.

Pork, salted or pickled, per barrel of 200 pounds, $1.50.

On all the items mentioned above except flour, Barbados, Trinidad and British Guiana agree that the preferential rate of duty shall in no case exceed one-third of the general rate nor shall the amount of the preference be less than that specified above.

British Guiana grants a preference of not less than 4c. a gallon on gasoline and kerosene when refined from crude oil produced in British territory.

The Leeward and Windward Islands undertake to use their best endeavors to have granted similar preferences to those granted by Barbados, Trinidad and British Guiana in the foregoing.

Dollar Basis of Currency Is Freely Used in B.W.I.

Complaint is often made that Canadians are among the worst offenders in respect to ignorance of the requirements and usages of international trade. Thousands of dollars have been lost in the past by an utter disregard of accepted practice in these matters, and this factor is one of the greatest barriers against the rapid development of a much larger foreign trade. It is essential that the exporter be thoroughly versed in shipping usages, documentary requirements, trade routes, and currencies.

The currency of the British West Indies is divided between the dollar and the pound sterling. Generally speaking, either may be used in inter-country trade, but the draft made on a bill of goods is usually made out in the currency of the buyer. Apart from this, it is safe usage to quote or remit in terms of the particular colony concerned. For the most part both British and American currencies are in use, and, owing to the presence of a large number of branches of the Canadian banks, Canadian dollars are in general circulation. Dollar notes of the Colonial Bank are also in use. Quotations are more frequently in pounds in Jamaica, Bermuda, and the Bahamas, while the dollar seems in the ascendancy elsewhere.

Building Up Business

Although much has been said and written about building up greater trade with the British Isles of the Caribbean, a surprisingly large number of Canadian firms are still carrying on their business on the same old hit-and-miss basis as was the method used by their fathers without any serious endeavor to develop their trade systematically. The prime requisite is a thorough knowledge of the needs and the usages of these countries. It is highly desirable to get this information first hand. If this is impossible, then the sources of accurate information on these matters, the Canadian banks for example, should be made use of to the limit. There is also a serious error into which many manufacturers have fallen in the past, of considering foreign trade a means of getting rid of old or inferior stock. The West Indian importers have too long been accustomed to receiving only secondary attention, and only those firms here who mean business and who give service will get the foreign business of the future. Canadian and United States manufacturers have found that proper advertising and a careful cultivation of this huge potential market is well worth the effort. Recent trips to the islands by members of the Canadian Manufacturers' Association have in many cases started profitable business relations. If Canada is not willing to seize the opportunity in a large way, the United States soon will.

When establishing trade relations for the first time, or when expanding, it is not necessary to deal with firms or individuals about whom nothing is known. Those Canadian banks which have branches or affiliations in the Caribbean countries are in possession of very complete credit files, and there is no business man or firm of any standing in the islands about whom information cannot be obtained from one of these. Furthermore, the banks are in a position to furnish accurate information on the business needs of the colonies, and will put exporters here in touch with importers there, and vice versa. They are also willing to provide complete information with regard to documentary requirements.

Actual practice in this matter of shipping usage differs according to the standing of the consignee, the class of goods, and so on. When the goods are shipped, the sender draws on the consignee usually on sight, but sometimes on 30 or 60 days. For the most part transactions with the larger and better-known firms are on a sight basis, and in the case of smaller firms, the draft is longer term. In the former case, the documents are released on acceptance, and, in doubtful cases, only on payment. Clean drafts are, of course, often used in well-established business. As indicated above, the foreign departments of the banks are thoroughly familiar with this business, and should be consulted if there is any doubt in the mind of the shipper as to what procedure should be followed.

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Reorganization is Forecast for Standard Chemical Co.

Another Disastrous Year Reported Along With Promise of Re-organization of Manufacturing Activities of Company

A further increase in the deficit of Standard Chemical, reported in the annual report for the year ended March 31 last, suggests early action by the directors on a re-organization of the company. In the previous year's report, the then president, D. Gilmour, suggested that a scheme would be placed before the shareholders for the elimination of some of the company's plants that were not profitable, and it was presumed that this would have been attended by a writing down of the company's stock with the writing off of the useless plants. No definite announcement is made in this year's annual report, although the new president, M. L. Davies, makes this significant statement:

"You will have come to the realization long before this that the company was greatly over-capitalized at the time of its organization in 1911 and that the amount of money actually invested and the volume of business transacted when the plants were operating at full capacity, were out of line with the large amount of preferred and common stock which had been issued."

President is in Europe

This suggests either that the company will go in for some capital reorganization, or for the adoption of new lines of manufacture, or both. The president is now in Europe and it may be that he will take the opportunity of discussing the company's affairs with some of the large English interests who financed the company in the pre-war days when it was launched out as a great wood distilling project.

From the standpoint of operations this year was the most disastrous in the history of the company, as there was actually an operating loss, something not previously reported. The deficit, after adding depreciation and similar charges was, however, only about one-third of the deficit in 1922 when special, high depreciation was allowed for.

Standard Chemical was launched in 1911 as a consolidation of various wood chemical industries existent at that time, and a chain of plants was acquired or built at various points in Ontario and Quebec. There were factories at Longford Mills, South River, Sault Ste. Marie, and Thornbury, Ontario; and Cookshire, Fassett and Weedon, Quebec; refineries at Montreal and Longford Mills; a saw mill at Longford Mills; lime kilns at Eganville, Ontario. There were also storage and distributing depots. Production consisted of charcoal, for which a large domestic market was built in Canada among householders, metal refiners and railroads and of chemicals such as wood alcohol, acetate of lime, formaldehyde, etc. The chemicals were sold both at home and abroad, as the home market could not absorb the amount of chemicals that could be produced simultaneously with the amount of charcoal that could be sold at home.

Good Profits at First

Prior to the war and during the war the company made good profits. Some of its products could be classed as munitions and were purchased freely by the Allies. After the war came more difficult conditions. Stocks of wood chemicals in the hands of the government had to be liquidated and profits gradually dwindled. A large foreign demand grew for such chemicals as the company produced, but European producers, with many advantages on their side, came into the field, and it was necessary to cut prices very low to get business. The competition reached a difficult peak in the past year, as evidenced by the statement of the president in his annual report:

"With the exception of charcoal, about 40 per cent. of the company's production has hitherto been sold abroad, but these foreign fields can no longer be relied upon as an outlet. This applies particularly to England, where the larger portion of the company's foreign business has been transacted. European competition has been so keen that goods have been sold on the English market at figures which this company cannot profitably meet. In view of the changed outlook in export business, manufacturing operations have been reduced and the utmost economies effected in all departments."

During the past year, 48,000 cords of wood were carbonized, which compares with a normal output of about 100,000 cords, and a war-time output of 150,000 cords. Even the current production of charcoal would be satisfactory if a profitable outlet could be found for the chemical products produced in connection with carbonization. As will be seen from Mr. Davies' report, the outlook for finding this market is not very good. This means a reduction in chemical activities and the utilization of the plants for other purposes. Some are now being dismantled and actually only one of the chain is being operated.

Shareholders will look with interest for more definite word from the directors of the plans in this regard. On this point the report says:

"The policy adopted by your directors is to reduce the company's chemical activities and to prosecute vigorously every opportunity through which assets of the company may be profitably used. The financial position of the company is such as to enable your directors to take this course without sacrificing any of the company's liquid or fixed assets."

The record of earnings of the company for the past ten years has been as follows:

INCOME ACCOUNT, YEARS ENDED DECEMBER 31.

	Operating Profits	Bond Interest	Other Int. & Discount	Depreciation	Other Deductions	Pfd. Dividends	Surplus for Year
1915	$301,859	$62,669	$54,805	$65,000	$15,277	....	$104,108
1916	696,465	67,588	42,717	123,269	5,000	....	457,891
1917	563,123	53,048	52,712	150,973	*155,764	....	150,626
1918	846,703	46,986	43,050	150,000	*323,398	126,094	157,175
1919	318,607	50,442	36,485	150,000	60,212	....	21,468
†1921	340,328	58,559	10,676	200,000	238,061	......	(def.) 166,968
‡1922	20,861	......	70,057	713,176	....	......	(def.) 762,368
‡1923	292,110	41,654	15,866	191,854	....	....	42,626
‡1924	226,106	39,215	.....	191,854	....	......	(def.) 4,963
‡1925	158,333(def.)	37,146	......	75,000	....	......	(def.) 270,479

*Includes $148,950 for reserves in 1917 and $3[illegible]5,937 in 1918. †For period of fifteen months ended March 31, 1921. ‡Year ended March 31.

The profit and loss figures for 1925, compared with similar figures for the previous two years, are as follows:

	1925	1924	1923
Profits . . .	x$158,333	$226,106	$292,110
Deprec. . . .	75,000	191,854	191,854
Balance . .	x$223,333	$ 34,252	$100,256
Deb. int. . .	37,146	39,215	41,654
Balance . .	x$270,479	x$ 4,963	$ 58,492
Bank int. . .	......	......	15,865
Net profit . .	†$270,479	†$ 4,963	$ 42,626
Pref. dep. . .	586,424	581,462	624,088
Deficit . .	$856,904	$586,424	$581,462

x—Debit.
†—Deficit for year.

No Decision Reached on Rayon Manufacture

From Our Own Correspondent.

MONTREAL.—Various stories and rumors to the effect that the Dominion Textile Company has definitely purchased certain patent rights in connection with the manufacture of rayon and that the company has decided to proceed with its manufacture have been current. Speaking to The Financial Post, the president of the company, Sir Charles Gordon, said that this was not the case, and that nothing has been decided as yet in this connection. In the meantime, the company is still investigating along these lines. It is expected, though, that the company will go into the new line.

The installation of machinery in the new addition to the company's mill at Montmorency Falls will begin on January 1, 1926. At this plant, there are at present employed about 1,300 hands; the new extension will employ about 300 more.

The possibility that the company will extend its operations to include the manufacture of rayon or artificial silk lends interest to information as to the rapid expansion of this industry in other centres. That there is a great demand for this new textile fibre may be judged from the fact that it is now estimated that by the end of the present year the total world's production will have increased 50 per cent. over that of last year. As production in 1924 was seven times as large as it was ten years previously, the industry is making great strides.

BRITISH OAK GETS LICENSE

The Department of Insurance has issued a license to the British Oak Insurance Company, authorizing it to transact fire, automobile, employers' liability, inland transportation, sprinkler leakage and insurance against damage to property of any kind caused by the explosion of natural or other gas.

The Securities Markets

LOSSES EXCEED GAINS IN WEEK'S SECURITY MARTS

Last Week's Strong Position is Reversed at Least Temporarily

Market Indicator
20 Industrial Stocks

	High	Low
Week of Aug. 5	78.3	74.8
Week of July 29	81.3	78.2
Mth. of Aug., 1924	70.3	66.6

There has been something of a lull in the sustained rise in the security markets which was in evidence up to the end of last week. It is expected that this market will not anticipate any downward movement which may occur in New York. Since there is nothing in the business or industrial situation in Canada to warrant a reaction beyond the mere influence of the seasonal period of slackers.

Some surprise is felt by those who have been looking for a reaction in the New York market that neither the danger of a threatened coal strike nor the stiffening of call rates has had sufficient effect to dampen the bullish sentiment which continues, although there have been a number of losses during the week. These, however, do not follow any definite trend, and appear in most cases to be nothing more than profit taking. There is certainly no tendency toward any selling movement.

Outside the utility and general industrial groups, losses in the Canadian market during the week were either in the majority or were equal to the gains. The utility group showed considerable strength, five gains being registered against three losses and five unchanged. Montreal Light, Heat and Power and Quebec Power led the gains, each having moved up four points. In the general industrial group approximately the same number showed gains, losses and no change, but where gains occurred, they were mostly fractional.

One Bank Stock Up

Two of the groups, the banks and the tractions, showed no gains during the week ending Wednesday, but since that time the Bank of Toronto has shown a gain of more than two points. At the same time these two groups registered nine losses and eleven unchanged. The losses were marginal in all cases.

There has been something of a slowing up in the case of the paper group, only one gain being registered against four losses and four unchanged. Price Bros. made a gain of one point, while losses of from one to three points occurred in Abitibi Brompton, Laurentide and Spanish River. This may be effect of the growing realization of over-production in newsprint, or it may be due merely to seasonal quietness. The weight of opinion seems to favor the latter explanation.

In the case of the steel and the milling groups, gains practically balanced losses. In the former there were two gains, two losses and four unchanged, while in the milling group there were two gains, two losses and three unchanged. The most important movement in the latter was the rise in Maple Leaf, which ran up three points during the course of the week. The gains as well as the losses in the steel stocks were mostly fractional.

The sustained strength which has been registered in the textile group broke down this week with only two gains against four losses and two unchanged. Despite this, the losses were mainly natural reactions in the case of stocks exceptionally strong of late, and the trend remains practically unchanged.

Taking the stock market as a whole, out of 89 securities, only 19 registered price increases, while 32 showed actual losses and 38 remained unchanged. This rather reverses the situation of last week when there were 39 gains against only 21 losses. Following is a summary of the movements recorded in the various groups:

	Gains	Losses	Uncgd
Banks	0	2	8
Pulp and Paper ..	1	4	4
Steel	2	2	4
Milling	2	2	3
Utilities	5	3	5
Tractions	0	7	3
Textiles	2	4	2
General	7	8	9
	19	32	38

Howard Smith Earnings Should be Up to Normal

While it is not the custom of the directors of the Howard Smith Paper Mills Ltd., to publish semi-annual statements, it is stated that the results of the company's operations for the first six months of this year were very satisfactory.

The company's working capital position is considerably improved, being well above the requirements of the trust deeds securing its bond issue. This is evidently due to the increased profits resulting from greater efficiency under which the company's three plants, particularly Cornwall, are operating as a result of the completion of alterations, installation of additional equipment, as well as to the increase in the volume of sales.

It is understood that the company's export business has increased over 100 per cent. as compared with last year, and that the volume of its domestic business is being well maintained.

All three plants are working at near capacity and it may reasonably be expected that gross earnings for the current year will be fully equal to those of any of the past 5 years. It is estimated that the dividend requirements of the preferred stock will be earned well over three times after bond interest.

Twin City Continues Fight for 7-cent Fare

In Canada the recent fare increase granted the Twin City Rapid Transit Company, seems to have attracted more attention than the company's demand for a still further increase. Some satisfaction is felt here that the new rate, a combination of an eight cent. cash fare and a six cent. ticket or an estimated average of about 6½ cents, is likely to add about $300,000 a year to the earning power of the company. The fare will be in force for at least six months, when it will likely be subject to review to determine if it has proven satisfactory in returning the company a reasonable amount on its property value.

The company, however, is continuing its battle for a straight seven cent fare and scored a point the other day when federal courts ordered a new valuation to succeed the state valuation of $41,000,000 on which the recent fare change was based.

Market Gives McIntyre $16,000,000 Valuation

McIntyre Porcupine shares were selling on a yield basis of 5.01 per cent. at this week's high price of $19.95 on the Standard Mining Exchange. This is the highest figure to which this stock has sold since 1923 when the extreme high of $21.20 was touched. The McIntyre situation has changed greatly for the better in the interval, and the annual dividends have been increased from 75 cents to $1 a share.

The market gives a valuation of close to $16,000,000 to the property. Intrinsically the market valuation of the mine appears to be still on a conservative basis. It is noteworthy that the stock is becoming increasingly scarce as the market has moved upward. This goes to show that investment buying has been pre-dominant.

WINNIPEG ELECTRIC EARNINGS

The following statement of earnings of the Winnipeg Electric Company for the month of June has been issued by the company: Gross earnings, $395,343; net revenue, $114,260; fixed charges and taxes after deducting other income, $87,752; net income from operation, $26,508; monthly proportion Man. Power guarantee, $20,820.

While the gross earnings from operation for the month show a slight decrease when compared with the month of June, 1924, the showing is very materially improved, due to an improvement in the gross earnings of both the railway and electric utilities. The total operating expenses show a decrease of $12,976, resulting in an increase in net earnings from operation of $12,917, for the month, and an increase of $61,680 for the six months' period.

Water Power Bonds

NESBITT, THOMSON & COMPANY
LIMITED
MONTREAL TORONTO HAMILTON WINNIPEG LONDON, Ont.

A Nation Building Investment.

Will Guarantee Loans for Construction Work

From Our Own Correspondent.

MONTREAL.—An interesting move is announced by the Dominion Financial Corporation of Montreal, which will in the future invest money for clients on construction loans and guarantee these loans as well.

Construction loan investments are based on the financing of building construction work. The loan is advanced to complete a building operation and before money is advanced it is necessary for the building to be completed to the extent of being plastered and having all walls and the roof finished. If the building is clear of all encumbrances and the land is paid in full, a loan is made up to 40 per cent. of the valuation. The loan is a first mortgage on the property.

The Dominion Financial Corporation now undertakes to further guarantee such investments with all of its assets, amounting to $325,000. Seven per cent. is paid on construction loans.

COMPLETE NEW POWER UNIT

PORT ARTHUR.—The fifth unit of electrical development at Cameron Falls will be ready for operation the second week in August. The sixth and last unit of the development will be completed some time in October. The station when complete will comprise six complete sets of generators with an output of 12,000 volts, which is stepped up to 110,000 on the transmission line.

INTERNATIONAL PAPER NOT CUTTING PRICE DURING THIS YEAR

(Continued from page 1)

which has been developed over a long period by selling its output at different prices to various customers in the same country.

All this indicates that if newsprint is being sold in the United States or in Canada at under $70 a ton, there is but little of it to be obtained. Admitting, however, that 99 per cent. of the newsprint sold on this continent is sold at $70 f.o.b. mill, all indications point to a weak market and a price of $65 a ton during 1926. All this must mean reduced earnings for the newsprint company next year.

However, there are many rays of light in a somewhat dark outlook, for the investor must not forget the many little mills, which produce anywhere up to 50 tons of newsprint a day in the States, cannot possibly meet Canadian competition. Many of these may not be able to meet fixed charges at the new price. One final thing, a company like the International Paper knows as well as any one else the exact market situation of newsprint, yet it is bringing its Canadian mill up to a daily production of 700 tons—investors can figure from this that that company knows what it is doing and fully expects the mill to make money. All this applies to the Canadian companies, though there may be some of the smaller producers which may feel the pinch of lower prices.

The Importance of the Retailer

THE retailers and wholesalers of the country are as much the sales force of a manufacturer as the men who travel out of the home office. The merchandise, if it moves at all, must move through these channels, and whether it encounters resistance or the whole hearted co-operation of the distributors, depends upon the manufacturer's attitude.

When people ask me what should be the place of the retail business paper in a national campaign, I respond that it should be precisely of the same importance in advertising as the retailer is in merchandising. One should be proportional to the other.

A retailer cannot carry all lines of goods. He cannot even carry all lines of advertised goods, that is to say, the goods advertised to the private consumer.

This compels the retailer to exercise his discretion as to what he will stock, and this is the biggest and most important of all retailing functions. You think of the retailer as a man from whom you buy goods, whereas his big job is to select the goods he can sell to you. His work of selection transcends in importance all his other functions, and in this work his guide and adviser is his retail business paper.

The successful merchant has not time to see all of the travelling salesmen who call, and in the waste of time of these men through no fault of their own is one of the costs of distribution that could be lowered. The salesmen that he does see are, nine times out of ten, men representing lines with which the dealer is familiar through advertising in his trade paper.

The retailer is the purchasing agent for a thousand, five thousand or ten thousand families.

The most effective way of reaching the retailers is by means of the business newspaper. Write us for particulars of those listed below and the fields they cover.

Publishers of

Canadian Grocer
Hardware and Metal
Dry Goods Review
Men's Wear Review
Bookseller and Stationer
Canadian Machinery
Canadian Foundryman
Drug Merchandising
Power House
Printer and Publisher
Sanitary Engineer
Canadian Automotive Trade

The MacLean Publishing Co.
143-153 University Avenue, Toronto

Finds Diversification Sound Way to Build Sure Income

Antigua, B.W.I., 14th July, 1925.

Editor, The Financial Post,

Sir,—On a previous occasion, after I had bought eighteen shares of a certain stock—representing all my capital at the time—you advised me not to keep all my eggs in one basket.

I still hold these shares, but, since then, I have put my further small savings into as small lots as one share each in various companies. At present, for instance, I hold six C.P.R. common, and one of preferred, one each of Kaministiquia, Laurentide Power, Abitibi and St. Lawrence Flour, and two of American Salesbook.

It seems to me that, by this plan, I combine good yield with fair safety, because all the different companies would not go bust. Even if one did wind up, I'd still have my holdings in the others, and any show that might be wound up would still pay something in the dollar.

I propose to carry on (I am saving at the rate of a thousand dollars a year), purchasing two shares each (in some cases only one) of Can. Cement, Can. Converters, Maple Leaf, Monarch Knitting, Prov. Paper, Steel of Canada, Howard Smith, Penman's and Spanish River—and others of which you have spoken well. That ought to make a small permanent income fairly secure?

Of course there is Consumers' Gas and Bell Telephone and others. Quite safe, no doubt, but a trifle low in the yield. Obviously I have been studying "The Financial Post" to some purpose.

I always purchase preferred, for choice, and shares described as cumulative. Do you see any objection, now or in the immediate future, to my plan? What I am after is investment (for the sake of my possible widow, since I have a government billet and the certainty of a pension for my life) not speculation, let alone a gamble.

My thanks to you. My real name, written below the nom-de-plume, is confidential.

Yours sincerely and gratefully,
"JAMES."

ONTARIO STEEL'S HIGHER PROFITS

Report for 1925 Shows Better Conditions for Plant—More Liquid Position

From Our Own Correspondent.

MONTREAL.—The annual report of the Ontario Steel Products Company for the year ending June 30, 1925, shows a considerable improvement in earnings for the year, and a slight improvement in the liquid position which, of course, was in the best of shape last year. The net profits for the year were $157,987, an increase of approximately $40,000 over the results for the previous year. After deducting fixed charges, sinking fund requirements and preferred dividends, the amount remaining applicable to the common shares was equivalent to over 7½ per cent., and compares favorably with the showing of two per cent. last year. The profit and loss accounts for the last two years compare as follows:

	1925	1924
Net profits	$157,987	$118,918
†Adjustment	....	7,424
Balance	$157,987	$111,494
Bond interest	26,550	27,840
Balance	$131,437	$ 83,654
Bond S. F.	21,450	20,160
Balance	$109,987	$ 63,494
Pfd. dividends	52,500	52,500
Balance	$ 57,487	$ 10,994
Common dividends	30,000	37,500
Balance	$ 27,487	x$26,506
Prev. surplus	415,516	442,022
Total surplus	$443,003	$415,516

xDeficit.
†Bad debts reserve 1922.

There were only a few changes in the balance sheet, and the liquid position for the last two years is as follows:

	1925	1924
Current assets	$964,015	$906,755
Current liabilities	137,496	189,050
Working capital	$826,519	$717,705

The president's remarks to shareholders are in part as follows:

"The marked improvement in demand for our products since January last will be found reflected in statement presented herewith. Most of our manufacturing units have been working to capacity during the past six months, and the combined tonnage output of our various works has largely exceeded any previous record for the some period in any year since incorporation. The flexible manufacturing arrangements in our several plants permitted the management to easily cope with this brisk demand and furnish satisfaction to our numerous customers.

"During the year many structural changes and improved methods of manufacture have been adopted at our various factories, and several new lines introduced.

"Despite increased motor car production, the demand for our horse drawn vehicle products has remained steady and satisfactory.

"Your directors have this year set aside $12,000 as a nucleus for establishment of a pension fund for employees, and it is the intention of your board to make further appropriations for this desirable purpose from time to time if and when conditions permit."

MONTREAL POWER AND SHAWINIGAN REACH NEW LEVEL

(Continued from page 1)

is the unsatisfactory state of the asbestos producers. The province occupies a strategic position with regard to the New England states where there is an undoubted shortage of available hydro-electric energy. The big project on the Saguenay River being undertaken by J. B. Duke and the Aluminum Company interests is but one indication that the economic trend of some industries is northward. Quebec is strategically situated with regard tidewater, U. S. markets and water power, all of which proves that it will move forward; any progression by the province as a whole must result in benefit to both Shawinigan and Montreal "Power."

Looks Like a Hold

For those who hold securities of either company for a few days in order to scalp a point or two, now might, or might not, be a good time to sell—there is no way of judging—but for those purchasing these securities with the idea of making money and not just gambling, there appears no reason for disposing of either stock simply because it is making new market records. Holders of Shawinigan or "Power" should be in it for something a great deal better than a ten point rise—he will get it, too,—but not quickly, for the policy of both managements is conservative. For the future largesse will not be distributed in large chunks, but the shareholders can look for a steady increase in the return on their holdings.

MINING STOCK QUOTATIONS

WEEK ENDING AUGUST 4

	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close Aug. 4	Close July 28	Sales for wk.	Range 1925 High	Range 1925 Low
Apex	$1	..	..	2	2	2	3	100	4	2
Algonquin	1	..	..	..	..	..	..	....	3	1
Argonaut	1	..	..	30½	24	26	25½	21600	48	22½
Atlas	1	..	..	..	..	..	..	....	5	2½
Baldwin	1	..	..	2¾	2½	2⅜	2¾	49000	7	2
Barry Hollinger	1	..	..	46	44	45	46	6850	50	40
Beaver	1	..	..	33	31½	33½	33½	9600	37	25½
Bidgood	1	..	..	6	6	6	6	1500	16¼	5½
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	..	..	..	..	....	5⅞	2¼
Canadian Lorrain	1	..	..	..	..	..	..	....	50	23
Capitol	1	..	..	25½	25¼	25½	26	7300	37½	24
Castle Tre.	1	..	..	93¾	88	90½	93	25075	95½	71
Clifton	1	..	..	5½	5	5	5¼	21550	25¾	5
Coniagas	5	5	14.8	1.75	1.73	1.73	1.75	1744	2.30	1.45
Coniar'm	..	..	..	..	..	..	..	....	2.45	1.00
Col. Kirkland	1	..	..	2¾	2	2	2½	12500	10½	2
Cons. Smelters	25	6	1.3	109½	102	108	111¼	21275	116	48
Cons. W. Dome	1	..	..	15	14	14½	14⅜	59000	22	11
Crown Reserve	1	..	..	18¼	17	16½	18	43725	54½	19
Davidson, C.	1	..	..	3½	3½	3½	3½	1500	5	2
Dome Mines	1	2	14.0	14.90	14.10	14.15	14.90	3510	16.50	12.90
Everett	1	..	..	5	4⅞	5	5¼	10,500	10	4⅜
Goldale	1	..	..	16	15¼	15½	16½	20741	22½	14¾
Gold Reef	1	..	..	..	..	..	..	....	2	1
Hattie	1	..	..	1	1	1	1⅛	10000	2¾	½
Hattie, pref.	1	..	..	6	5	5½	6⅞	65200	67	4⅜
Hillcrest, com.	1	..	..	..	..	..	..	....	80½	78¾
Hollinger	5	20.80	7.1	14.90	14.80	14.80	14.85	1735	15.65	13.35
Huston	1	..	..	4⅞	4¾	4¾	4⅞	1300	8½	4¾
Indian	1	..	..	5	5	5	5	1500	17	5
Inspiration	1	..	..	..	..	..	..	....	10	7
Inter. Nickel, com	1	..	..	32	31⅜	31½	30	149	32	24¾
Keeley	1	24	13.0	1.83	1.78	1.82	1.81	7150	2.32	1.75
Keora	1	..	..	15	12½	14¾	14¾	69100	19½	9
Kirk Lake	1	..	..	43½	41½	43½	42	24700	50	35
Lakeside	1	..	..	3⅜	3	3⅜	3½	13500	15¾	4
Lake Shore	1	20+5	4.0	6.25	6.07	6.25	6.15	3460	6.25	4.51
La Rose	1	..	..	45¾	44½	44	46	8600	55	7½
Lorrain	1	..	..	12	9¾	11½	12	186000	24	9¾
Lorrain T. L.	1	20	20.00	98	98	98	1.00	200	1.34	90
McKinley	1	..	..	27½	26½	26½	28¾	1600	44½	15¾
McIntyre	20	20	21	19.99	18.75	19.95	19.00	3393	19.99	16.00
Mining Corp.	5	10	18.00	2.56	2.50	2.56	2.57	2450	3.16	2.35
Moneta	1	..	..	15	15	15	15½	1500	18¼	13
Newray	1	..	..	22¾	22½	22¾	22¾	5000	28½	17
Nipissing	5	12+6	18.7	4.90	4.80	4.90	4.85	1182	6.80	4.65
Night Hawk	1	..	..	..	..	..	..	....	49½	23
Ophir	1	..	..	3½	3	3	3⅜	2500	7⅞	3
Peterson Lake	1	..	..	6¾	5¾	6¾	6½	5500	12	5¾
Porc. Crown	1	..	..	..	..	..	..	....	8	3½
Premier Gold	1	32	14.6	2.22	2.20	2.22	2.17	2850	2.58	2.12
Preston	1	..	..	8¾	8	8¾	8.14	6300	12	6¾
Teck Hughes	1	..	..	1.75	1.65	1.71	1.17	51185	1.80	1.23
Thomp. Krist.	1	..	..	..	..	..	..	....	3	1
Timiskaming	1	..	..	17	17	17	17	2800	30	15
Tough Oakes	1	..	..	37	35½	35	38	17800	45	20
Trethewey	1	..	..	22	22	22	19	1000	22	16¾
Vickers	1	..	..	3½	3	3	4	9500	25½	3
Victory Silver	1	..	..	6	6	6	6½	1000	31	5½
Vipond Cons.	1	..	..	1.25	1.17	1.22	1.22	23232	1.42	1.01
Wakenda	1	..	..	..	..	..	..	....	3½	1½
Wasapika	1	..	..	1½	1½	1½	1½	2000	3⅜	1
West Tree	1	..	..	..	..	..	..	....	5	2
Wettlaufer	1	..	..	4	4	4	4⅞	2000	16	3¾
Wright-Har.	1	20	4.60	5.25	5.00	5.00	5.25	2320	5.25	4.15
Oil Companies										
B.A. Oil	25	2+2	6.6	39	38¾	38¾	39	550	41¼	36½
Imperial Oil	25	25c	7.3	32	30½	31	32	714	34¾	27½
Inter. Pet.	5	25c	.90	25½	24½	24⅜	25½	260	30½	22
Cont. Oil	..	25	1.00	23⅜	23⅜	23⅜	25½	40	30½	22
North Star, pref.	5	7	8.7	..	..	..	..	....	4.25	3.90

The Stock Market Record

WEEK ENDING AUGUST 4

	Div. Rate	Yield Aug. 3	High for wk.	Low for wk.	Close Aug. 4	Close July 28	Sales	Range 1925 High	Range 1925 Low
Banks—									
Commerce	12	5.79	207	206	206	206	130	210	194¾
Dominion	12+1	6.33	205	204	204½	204½	54	205½	189
Can. Nationale	10	6.71	149	149	149	148	4	151	148
Imperial	12	6.12	198	195	200	200	45	200	184
Montreal	12	4.85	249	245	250	250	187	250	240½
Nova Scotia	16	5.82	275½	274	273½	273½	59	275½	262
Royal	12	5.10	236	235	235½	235½	161	237½	227½
Standard	12	6.77	177⅝	177⅝	177⅝	176	1	177⅝	170
Toronto	12	5.85	..	..	..	..	..	221	192¾
Union	8	6.83	117	116	117	116⅞	92	117½	105
Paper—									
Abitibi, com.	4	6.20	67¼	64	64½	66¾	1090	75	62
Do. pref.	7	6.71	..	..	..	..	..	108	101
Brompton Pulp	.	....	23	20½	21	23¼	640	33¼	18½
Laurentide	6	7.59	81¼	79	81	81¼	920	87⅞	75
Price Bros.	2	4.16	49	47¾	49	48	1320	50	35⅜
Prov. Paper, com.	6	6.12	..	..	..	..	..	111¼	88¾
Do. pref.	7	7.14	98⅞	98½	98⅞	98½	60	102	95
Belgo, com.	6	7.40	..	..	..	..	..	87	80¼
Do. pref.	7	7.29	96½	96	96½	96¾	205	97¼	95¾
Smith, Howard, com.	.	....	39¼	38	39¼	39¾	40	42	21¼
Do. pref.	8	7.84	102	102	102	105	5	106	69½
Spanish River, com.	7	6.76	104	102	103	104	1005	111¾	87
Do. pref.	7	6.14	114	111¼	113½	113	660	127	112½
St. Maurice Paper	6	7.22	83	83	83	84½	180	86	81¾
Wayagamack	.	....	..	..	..	..	..	52	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	..	..	..	..	..	3¼	1½
Do. 1st pref.	.	....	23½	22½	23½	23¼	35	34	22
Do. 2nd pref.	.	....	8¾	7½	8	7½	395	11¾	6¾
Can. Car & Found., com.	.	....	39	39	39	38	20	57⅞	38
Do. pref.	7	8.97	78½	78	78½	78¼	150	90¼	78
Can. Foundries, com.	.	....	..	..	..	..	..	35	20
Do. pref.	.	....	..	..	..	..	..	50	40
Can. Locomotive, com.	.	....	..	..	..	..	..	71⅞	64
Do. pref.	7	9.21	76	76	76	76	5	90	76
Dominion Coal	.	....	..	..	..	..	..	50	40
Dominion Iron, pref.	.	....	..	..	..	..	..	28	25
Dominion Radiator, pref.	7	6.94	100¼	100	100	100¼	70	102½	100
Dominion Bridge	4	4.59	91	87	91	88	835	94½	77½
Dom. Steel Corp., pref.	.	....	..	..	..	..	..	38	25
N.S. Steel, pref.	.	....	..	..	..	..	..	32	28
Ontario Steel, com.	4	7.01	58	57	57	58	150	61	43
Do. pref.	7	7.07	99	97¼	99	99	35	100	91½
Steel of Canada, com.	7	8.18	85½	85¼	85½	85½	663	89	75¼
Do. pref.	7	6.30	110½	110½	110½	111	30	112½	105
Milling—									
Canada Bread, com.	4	8.88	45⅛	44	45	45	658	130	39½
Do. pref.	7	6.79	103	103	103	104	2	107½	100
Do. B pref.	.	....	92½	92	92	92½	250	92½	85¼
Inter. Milling, pref.	7	7.07	99	99	99	99	69	102	97
Lake of Woods, com.	12	6.55	184	183	183	184	25	188	176
Do. pref.	7	5.60	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	89	85	89	86	12	100	80
Do. pref.	7	7.10	98½	98	98½	98	45	101	96
Ogilvie Flour, com.	3¼	....	162¼	160	161	163	99	163	135
Do. pref.	7	5.55	126	126	126	126½	2	127	121½
Shredded Wheat, com.	10	10.00	..	..	..	..	..	155	155
St. Law. Flour, com.	4	....	31	31	31	30½	15	65	20¼
Do. pref.	7	8.75	80	80	80	80	20	80	75¼
West. Can. Flour	8	7.40	108	108	108	108	10	112½	105
Utilities—									
Bell Telephone	8	5.77	140	138	138½	139¼	285	140	133
Consumers' Gas	10	5.81	173	172	172	172	13	173	164
Laurentide Power	5	5.00	100	100	100	100	5	101	93¾
Kaministiquia	8	7.27	..	..	..	..	..	125	100
Mackay, com.	7	5.51	128	127	128	127¾	54	130	114½
Do. pref.	4	5.81	69½	68½	68¾	68½	113	69½	67
Mexican Light, com.	.	....	..	..	..	..	..	26⅛	22
Do. pref.	.	....	..	..	..	..	..	62⅛	57
Mont. L. H. & Pr. Cons.	8	4.10	198¼	192	198¼	193¼	8176	198¼	152
Montreal Telegraph	8	6.89	46½	46½	46½	46	30	50	42
Ottawa L. H. & Pr.	6	6.25	..	..	..	..	..	105	95
Do. pref.	6½	6.28	103½	103½	103½	103⅜	15	105½	101
Quebec Power, com.	5	4.67	110	105¾	110	106	647	110	80
Do. pref.	7	6.39	109½	109	109½	109½	42	110	103½
Shawinigan	7	4.32	164	161	164	164½	768	165	130½
South. Can. Power, com.	1.00	....	75	72	72	76	75	84	67
Transportation—									
Can. Pacific Rly.	10	7.08	143	141¼	142	143	78	152¼	137
Can. Steamships, com.	.	....	10½	10½	10½	10½	200	13¾	10
Do. pref.	.	....	46	44⅜	44⅜	45	640	50	42
Tractions—									
Barcelona	.	....	21	20¾	20¾	20¾	330	24⅛	18½
Brazilian	4	6.92	59	57¼	57⅜	58¾	3583	60	49¼
Detroit Un. Rly.	.	....	1½	1½	1½	1½	83	29	1
Duluth-Superior	.	....	33½	33½	33½	34½	10	42	33
Illinois Traction, pref.	6	6.31	..	..	..	..	..	95½	90½
Montreal Trams	10	5.78	..	..	..	..	..	173	160
Ottawa Traction	4+1	8.00	62½	62½	62½	64	85	65¼	62
Porto Rico Rlys., com.	.	....	45½	45	45	45½	369	46⅜	35½
Do. pref.	7	8.09	88	86½	86½	88	40	91¼	84
Quebec Rly.	.	....	..	..	..	..	..	24⅛	20
Twin City, com.	4	6.50	62¼	61½	61⅜	62½	595	70	58
Do. pref.	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com	1	....	53⅛	51	51	53	7131	53⅛	35½
Do. pref.	7	7.31	96	95	95⅛	94	185	98	88
Textiles—									
Can. Conn. Cotton, pref.	1	....	45	44½	45	40	125	50	39
Can. Converters	7	8.02	88¼	87	87	90	68	90	80
Can. Cottons, com.	8	6.73	119½	118¼	118¼	120	39	120	106
Do. pref.	6	6.31	..	..	..	..	..	95	90
Can. Woollens, com.	.	....	..	..	..	..	..	14½	5
Do. pref.	.	....	54	53½	53½	54	18	58	40
Dom. Textile, com.	5	5.90	85¼	84½	84½	86¼	1230	87	66
Do. pref.	7	6.03	..	..	..	..	..	117	111
Monarch Knitting, com.	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	..	..	..	..	..	80	45
Montreal Cotton, com.	6	6.06	..	..	..	..	..	100¼	95
Do. pref.	7	6.25	..	..	..	..	..	114½	109
Penmans, com.	8	5.06	160	158	160	158	250	166	158
Do. pref.	6	5.94	..	..	..	..	..	101	99
Wabasso Cotton	4.00	6.45	..	..	..	..	..	62	55½
General Industrials—									
Amer. Salesbook, com.	4.00	8.33	48	48	48	48	10	50½	38
Do. pref.	7	7.56	92½	92½	92½	92½	10	94	88
Asbestos, com.	1	....	74	73	74	75	415	83¾	35
Do. pref.	6	5.64	106	104½	105⅛	105½	1336	117	73½
Atlantic Sugar, com.	.	....	34½	31	31⅛	34½	1291	34½	13
Do. pref.	.	....	81½	78	78½	80	1655	93¾	77
Bird & Son, pref.	7	8.58	..	..	..	..	..	83	81
B. C. Fishing	.	....	43¼	41½	43	45	2282	50	19
Brantford Cordage	.	....	..	..	..	..	..	..	..
Do. pref.	.	....	26¼	26	26¼	26¼	108	26½	26
Burt, F. N., com.	10	4.46	57¼	55	55	55⅛	777	58½	40
Do. pref.	7	3.50	..	..	..	..	..	213	142½
Canada Cement, com.	6	5.76	106½	104	103	104¼	3841	117	73½
Do. pref.	7	6.03	116	113½	113½	115	97	116	107
Cons. Rubber, pref.	7	8.23	..	..	..	..	..	90	85
Can. Gen. Electric, pref	7	6.60	53¼	53	53¼	53⅛	46	55⅛	51
Can. Indust. Alcohol	1.28	8.02	15½	15	15¼	15	1125	20½	14
Canadian Salt	8	5.88	..	..	..	..	..	136	112
Christie Biscuits, com.	.	....	45	56	56	55½	10	56½	31½
Do. pref.	7	5.93	..	..	..	..	..	118	104¼
City Dairy, com.	12	3.48	88⅛	85⅞	85⅞	88½	80	90½	65
Do. pref.	7	6.54	107	107	107	107	1	110	104½
Crows Nest Coal	3	6.38	46	46	46	47	30	49½	35
Cuban Can. Sugar, com.	.	....	6	6	6	6	10	10	5
Do. pref.	.	....	..	..	..	..	..	44½	31
Dom. Canners, com.	.	....	111	107	109¼	111	102	114¾	97
Do. pref.	7	6.36	111	109	110	110¾	518	113	56½
Dom. Glass, com.	7	6.45	108½	108¼	108½	114	46	116⅛	108½
Do. pref.	7	6.22	..	..	..	..	..	114	110½
Dominion Stores, com.	1.00	....	41½	40	41	40	183	41	24
Do. pref.	8	8.00	100	100	100	100	52	101	97
Dodge Bros., com.	.	....	..	..	..	..	..	30⅜	22
Do. pref.	7	8.40	80½	80½	80½	83¼	10	84⅛	80⅛
Eastern Theatres, com.	.	....	..	..	..	..	..	15	14
Do. pref.	7	9.58	..	..	..	..	..	76	70
Ford Motor	10	....	..	..	..	..	..	512	500
Gilman, com.	.	....	100	100	100	106½	5	110	100
Do. pref.	7	6.36	..	..	..	..	..	100½	90
Goodyear Tire, pref.	7	7.54	93	91¾	91¾	92	215	100½	90
Frontenac Brew., com.	.	....	..	..	..	..	..	65	54
Do. pref.	7	7.67	..	..	..	..	..	100	100
Holt, Renfrew, pref.	7	9.09	77	77	77	77	10	82	65
King Ed. Hotel	.	....	..	..	..	..	..	27	21
Lyall Construction	.	....	..	..	..	..	..	29	11
National Brew., com.	.	....	47	43	44½	43½	3440	68	41¼
Do. pref.	7	7.00	..	..	..	..	..	106½	98
National Brick, com.	.	....	..	..	..	..	..	18	15
Do. pref.	7	9.33	75	75	75	75	170	79½	70
Pacific Burt, com.	6	6.41	..	..	..	..	..	96	91½
Do. pref.	7	6.91	101¼	100½	101¼	101	71	107	101
Port Hope Sanitary, com.	.	....	67	67	67	65	25	67	53
Do. pref.	7	7.58	..	..	..	..	..	92⅛	88½
Pure Gold Mfg.	50c	....	..	..	..	..	..	25¼	23½
Rogers, Wm. A., com.	.	....	55	54	55	53	35	65	53
Do. pref.	7	7.93	88¼	88¼	88¼	89½	6	95	88
Russell Motor, com.	.	....	..	..	..	..	..	35	24
Do. pref.	7	8.64	81	81	81	81	15	86	74½
Sawyer-Massey, pref.	.	....	13	13	13	13	50	15	5
Sherwin-Williams, com	6	4.80	125	125	125	125	130	130	115
Do. pref.	7	6.48	108½	108¼	108¼	108½	175	108½	104¾
Sterling Coal	4	....	39½	39½	39½	40	5	53	40
Tooke Bros., com.	.	....	8	8	8	8	50	8	8
Do. pref.	.	....	62	62	62	62	35	62⅛	37
Tuckett Tobacco, com.	4	6.34	..	..	..	..	..	70	59
Do. pref.	7	7.03	..	..	..	..	..	102¾	96¼
Woods Mfg., com.	.	....	31	31	31	30	25	49	20
Do. pref.	7	10.00	..	..	..	..	..	75	64⅞
Western Grocers	.	....	..	..	..	..	..	11¾	4½
Trust and Loan—									
Canada Landed	10	5.37	93⅛	93⅛	93⅛	93½	5	97	80
Can. Permanent	12	5.91	203	203	203	202	2	209	190
Colonial Invest.	6	....	..	..	..	..	..	4⅝	4
Hamilton Prov.	10	6.45	..	..	..	..	..	156	154
Huron & Erie	7	5.46	..	..	..	..	..	125	125
Landed Banking	9	6.33	..	..	..	..	..	142	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.42	..	..	..	..	..	223	210
Ontario Loan	11	5.55	..	..	..	..	..	100	99
Real Estate Loan	7	8.04	..	..	..	..	..	88½	87
Toronto Gen. Trusts	12	5.66	..	..	..	..	..	212	208
Toronto Mortgage	10+1	5.94	..	..	..	..	..	92	87¾
Union Trust	7	8.23	..	..	..	..	..	85⅛	85⅛

EAST KOOTENAY LISTED

MONTREAL.—This week saw the transferring of the shares of the East Kootenay Power Company from the unlisted to the listed section of the Montreal Stock Exchange.

A little higher in price, but—
what a wonderful difference
a few cents make
PLAYER'S
NAVY CUT
CIGARETTES

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Brooks Steamer (1 pref, 2 com).	3½	5½
Can. Machinery, com.	4	7
Can. Machinery, pref.	12	17
Canadian Oil, pref.	91½	93
Can. Westinghouse, com.	147	150
Cockshutt Plow, pref.	34	36
Cosgrave Brewery	5.25	6
Dom. Comb. Mill (1 pref, 2 com).	33	..
Dom. Power, pref.	91	93
Durant (A)	3.75	4.75
Durant (B)	4.75	5.75
Durant (C)	5.50	6.75
English Electric, pref.	41	43
Famous Players, com.	11½	13
Gunns, Ltd., pref.	32	35
Imperial Tobacco	6.75	7.50
King Edward Hotel Deb. A	74	77
King Edward Hotel Deb. B	52	55
K. & S. Tire, pref.	7	11
Loew's Toronto, com.	27	29
Loew's London, com.	1¼	2.00
Loew's Ottawa, pref.	14	17
Massey-Harris	53.50	57.00
Mount Royal Hotel, com.	5	6
Mount Royal Hotel, pref.	31½	32½
North Mexico Power, com.	31	33
Manitoba Power, com.	20.50	57.00
Rickenbacker Motors	3	4
Simpson, Robt., pref.	97.50	99.50
United Securities, com.	55	57
Western Grocers, pref.	29½	33

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	101¼	..
Alabama 5% 1962	98½	99
Algoma Steel 5% 1962	31¼	32
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	101⅛	..
Brand.-Henderson 5% 1939	90	..
Burns, P. & Co. 6½% 1943	100⅛	102⅛
Can. National Rly. 5% 1954	100¾	101½
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942.	99¾	100⅝
Can. Light & Power 5% 1949.	..	41
Can. Pacific Rly. 5% 1934	99	99½
Can. Steel Foundries 6% 1936.	100	..
Dom. Iron 5% 1939	4	..
Dom. Power 5% 1932	96	87
Dom. Textile 6% 1949	106	..
East Koot. Power 7% 1942	101	102
Frontenac Brewing 6% 1951	..	..
H. Smith Paper 6% 1934	99	..
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	101¾	..
Laurentian Power 6% 1936	99¾	100⅝
Maple Leaf Milling 6½% 1943.	104	..
Man. Power 7% 1941	103¼	103¾
Mattagami 7% 1949	30	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100⅜	101⅜
Nor. Ont. Power 6½% 1931	97¾	98½
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	100	100¼
Quebec Power 6% 1953	102½	103
South Canada Power 6% 1948.	103⅛	...

Ontario Steel Products Company, Limited

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

The marked improvement in demand for our products since January last will be found reflected in statement presented herewith. Most of our manufacturing units have been working to capacity during the past six months, and the combined Tonnage output of our various works has largely exceeded any previous record for the same period in any year since Incorporation. The flexible manufacturing arrangements in our several Plants permitted the Management to easily cope with this brisk demand and furnish satisfaction to our numerous Customers.

During the year many structural changes and improved methods of manufacture have been adopted at our various factories, and several new lines introduced.

Despite increased motor car production the demand for our horse drawn Vehicle Products has remained steady and satisfactory.

Your Directors beg to call attention to the reduction of $179,000 in Goodwill Account, this having been accomplished by utilizing the "Sinking Fund" Reserve, which appeared in our 1924 Balance Sheet at $157,500, and similar accumulations to the extent of $21,500 during the current year for this purpose.

It will be noted your Company's Net Quick Assets over Current Liabilities now amount to $826,519 as against $717,705 on 30th June, 1924.

Your Directors have this year set aside $12,000 as a nucleus for establishment of a Pension Fund for Employees, and it is the intention of your Board to make further appropriations for this desirable purpose from time to time if and when conditions permit.

DIVIDENDS: The usual dividends at the rate of 7% per annum on the Preferred and 4% on the Common have been paid quarterly during the year, and in view of the favorable earnings shown your Directors have declared an Extra Dividend of 1% on the Common Shares to be paid out of the profits for the past year.

All of which is respectfully submitted. On behalf of the Board of Directors,

W. WALLACE JONES, President.
K. MOLSON, Director.

Consolidated Balance Sheet, 30th June, 1925

FIXED ASSETS:			
Real Estate, Buildings, Plant, and Power Rights		$1,647,138.70	
Goodwill		376,272.68	$2,023,411.38
LIQUID ASSETS:			
Cash		23,477.41	
Bills and Accounts Receivable		327,383.14	
Inventories		346,971.51	
Securities:			
Sinking Fund Assets $78,900 O.S.P. Bonds	$ 74,667.00		
Pension Fund Assets $12,000.00 Par Value	11,810.29		
$180,706.66 Victory, Municipal and Other Securities	178,845.53		
Other Investments	860.00	266,182.82	964,014.88
DEFERRED CHARGES TO OPERATIONS:			
Advances, Unexpired Insurance, etc.			20,426.60
			$3,007,852.86
CURRENT LIABILITIES:			
Bills and Accounts Payable		87,207.37	
Receiver-General of Canada for Income Tax		16,388.51	
Bond Interest to 2nd July, 1925		13,275.00	
Provision for Pfd. Dividend payable 15th Aug., 1925		13,125.00	
Provision for Ord. Dividend payable 15th Aug., 1925		7,500.00	137,495.88
RESERVES:			
Special for Extraordinary Inventory Fluctuations		50,000.00	
Bad Debts, etc.		48,810.82	
Pension Fund		12,000.00	
Depreciation		395,542.74	506,353.56
First Mortgage Bonds 6% due 2nd July, 1943		600,000.00	
Less Bonds redeemed by Sinking Fund		179,000.00	421,000.00
CAPITAL STOCK:			
7 Cumulative Pfd. Shares Authorized and Issued		750,000.00	
Ordinary Shares, Authorized $2,000,000.00 Issued		750,000.00	1,500,000.00
PROFIT AND LOSS ACCOUNT:			
Balance as at 1st July, 1924		415,516.22	
Add Profit for year	219,956.19		
Less Depreciation	61,968.99	157,987.20	
Less Bond Interest	26,550.00	573,503.42	
Preferred Dividends paid and provided for	52,500.00		
Ordinary Dividends paid and provided for	30,000.00	109,050.00	
		464,453.42	
Less Provision for Sinking Fund		21,450.00	443,003.42
			$3,007,852.86

CONTINGENT LIABILITY: Bills Receivable under Discount, $10,876.40.

We beg to report that we have audited the Accounts of the Ontario Steel Products Company Limited, for the year ended 30th June, 1925. We have obtained all the information and explanations required by us. We certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

McDONALD, CURRIE & CO.,
Chartered Accountants.

Montreal, 11th July, 1925.

Dominion Textile Company
LIMITED

Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Atlantic Sugar Refineries
LIMITED

Lantic Sugar

General Offices:
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.

ENGINEERS, MANUFACTURERS AND ERECTORS OF STEEL STRUCTURES

HEAD OFFICE AND WORKS:
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

BRANCH OFFICE AND WORKS:
Toronto, Ottawa, and Winnipeg.

Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

5% Interest Return

INVEST YOUR SAVINGS
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Pulp and Paper

PRICE BROTHERS GET $4,274,000 FOR POWER SITES

Amount Company Receives from Aluminum Company in Big Deal

From Our Own Correspondent.

MONTREAL.—For its power site at Chute a Caron, Price Brothers and Co. will receive securities having a par value of $4,274,000. These securities are preferred and common stock in the Aluminum Co. of America, which has an outstanding capitalization of approximately $19,000,000, and on which annual dividends at the rate of 12½ per cent. are now being paid. The stock is quoted in New York at $850 per $100 share. The stock which Price Brothers will receive consists of $4,090,000 par value of 6 per cent. cumulative preferred shares and 36,800 shares of new $5 par value common stock, which is shortly to be issued in place of the old $100 shares.

Price Brothers and Company owns a quarter interest in the Quebec Development Company, which in turn owns the Duke-Price power project and also owned the Chute a Caron power site. The latter has now been sold to the Aluminum Company, which is controlled by Davis & Mellon interests, of Pittsburgh. This company, which is the largest aluminum manufacturing concern in the world, will immediately commence development of 600,000 horsepower at the newly acquired site. The work has started already and will require a period of from three to four years to complete. The big construction plant which was used in the development of the Duke-Price power at Isle Maline on the Saguenay, is now being moved to the Chute a Caron site.

Aluminum Plant Starts Soon

The aluminum plant is expected to be in operation within a year, and, pending the development of the new power site, energy will be obtained for operations from the Duke-Price Power to an amount of 100,000 horsepower. This power will be purchased for a term of one year; during the next two years the Aluminum Company will purchase an additional 200,000 horsepower from the power company.

The sale of the Chute a Caron property means that the Quebec Development Company, which owns outright the Duke-Price Power, will still retain assets of approximately $19,000,000, representing the capital stock of the Duke-Price Power Company, the Alma and Jonquiere Railway and other assets.

Delivering Power Now

The Duke-Price Power is now delivering to Price Brothers approximately 40,000 horse power for the operation of the Kenogami and the Riverbend mills. Within the next few months the big paper producer will take an additional 40,000 horsepower under its contract for the Riverbend mill. In the spring of 1926 an additional 40,000 horsepower will be used in order to permit electrical steam generation at the Kenogami mill. These developments, which were announced this week, indicate an increased earning power for both Price Brothers and the Duke-Price Power, as additional revenue to be obtained through supplying power to the Aluminum Company will be substantial. In addition, it is understood that the Duke-Price Power have several other contracts in view. The most recent negotiations are understood to be for the supply of approximately 20,000 horse power to the Port Alfred Pulp Corporation in connection with proposed construction of a 200 ton newsprint mill in the Saguenay district.

Eight Generators Installed

The Duke-Price Power has now installed eight generators, with a total capacity of 320,000 horse power. Provision has been made in the construction for the installation of four additional 40,000 horse power units, which will make an ultimate capacity of this development of 480,000 horsepower. Adding this to the 600,000 horsepower which will be developed at Chute a Caron, means that a total of 1,080,000 horsepower will be generated at this point on the Saguenay. Such an abundant supply of power must mean that the Saguenay River will become a great industrial centre.

Work is being rushed on the new 200 ton newsprint plant of Price Bros. Co., and the building is to be completed in the course of a few weeks, after which the work of installing the machinery will get under way.

The machinery for the new mill is on the ground and will be moved in shortly. The new mill is located at Riverbend, a town incorporated during the last session of the Quebec legislature and it is located a short distance from the Grande Decharge. Newsprint will begin pouring out of the machines either late this year or early in 1926.

Quebec Pulp and Paper Mills Charter Obtained

MONTREAL.—The Quebec Pulp and Paper Mills, with a capitalization of $22,000,000, obtained a charter this week. The new company, as was recently announced, is authorized to acquire the business of the Chicoutimi Pulp Company, the Chicoutimi Port Company, the Saguenay Pulp and Power Company, the Chicoutimi Freehold Estates, and the Saguenay Light and Power Company, as well as the capital stock of the Roberval-Saguenay Railway Company, making a total of six companies to be merged in the new organization.

The next step in the organization of the Quebec Pulp and Paper Mills is the calling of a shareholders' meeting. This will occur within ten days or two weeks, when the board of directors will be elected.

CANADA PAPER COMPANY

The Canada Paper Company has been busy for some months erecting an additional pulp mill at its plant at Windsor Mills, Que. The new mill is to produce pulp on a modified soda system and, when finally completed, should mean much in cutting down costs, due to the improved system on which the mill will operate. The new method of production is known as the Keebra process and is a distinct step forward in the production of pulp. The new mill should be in actual operation shortly.

Another Proposed Pulp and Paper Mill in N. S.

MONTREAL.—There is the possibility that a pulp and paper mill may be established in Guysboro County, Nova Scotia, through which runs the Liscombe River. Investigation of the power sites on this river has been started by J. Ruddick, of Quebec, a consulting engineer on hydro-electric development. Mr. Ruddick was in Halifax recently conferring with the provincial authorities relative to the power potentialities of this river. He is acting for pulp and paper interests in the United States but stated recently that, until the Liscombe River sites could be thoroughly examined and investigated, it would be impossible to make any definite announcement regarding the proposed development. He admitted also that American interests were anxious to erect a mill in Guysboro County and, if the investigations indicate that the proposition is feasible, Nova Scotia may shortly have a pulp and paper mill under construction. It is thought that considerable power can be generated on the Liscombe River.

PORT ALFRED PULP TO BUILD NEW MILL

Following Acquisition of New Limits Company Will Build 100 Ton Plant

From Our Own Correspondent.

MONTREAL.—As result of the acquisition of the timber limits on the Peribonka River, the Port Alfred Pulp and Paper Corporation will immediately make the arrangements necessary for the construction of the groundwood pulp and newsprint mill at Port Alfred with an initial capacity of 100 tons daily. The ultimate capacity of the mill will be 200 tons.

Earnings of the company during 1925 have shown a steady improvement and the 175 tons of sulphite pulp will ultimately provide 50 tons for the manufacture of the newsprint and leave a surplus of 125 tons for the United States market. It is thought that the new producer will obtain its power supply from the Duke-Price Power Company—in all some 20,000 horsepower may be required.

The limits which were acquired last week by R. O. Sweezey will cost in the neighborhood of $900,000 and will be paid for in three instalments. Limits are estimated to contain over 9,000,000 cords of pulpwood, and in addition, the Port Alfred Corporation has the cutting rights on about 2,000,000 cords on the Chicoutimi Free Estates and over 1,000,000 cords close to present mill, making a total of over 12,000,000 cords of wood, sufficient to produce 800,000 tons of newsprint.

PROVINCIAL SHIPS TO NEW ZEALAND

Paper for Export Goes Out from Port Arthur Plant of Company

Interesting news came from Port Arthur of the shipment from the Port Arthur mills of the Provincial Paper Company, of a consignment of book paper to far away New Zealand.

This is the first shipment of probably many that will be made to the distant Dominion, and will likely be followed by other shipments to Australia, when new trade treaty with that Dominion comes into effect. In particular paper was made one of the articles that is accorded preference under the agreement.

The first shipment made was consigned to a firm of publishers at Christ Church, New Zealand. Later another shipment was sent forward from the mills to Auckland, New Zealand. The two orders placed with the local mill amount to 156,800 pounds.

The paper was loaded aboard ship at Montreal, on one of the vessels of the Canadian Merchant Marine, and will be landed at its point of destination direct.

Heretofore the Port Arthur mills of the Provincial Paper Company has found market for its products largely in Canada and the United States, with an occasional shipment for outside countries, but this is the first time that paper from the Port Arthur mills has been shipped to such a distant point as New Zealand.

The Provincial mills were established in Port Arthur in 1917 and immediately became the second largest industry in the city, the Port Arthur News-Chronicle recalls. It was exceeded in importance only by the Port Arthur Shipyards, of which it is a near neighbor. Since its establishment the plant has been extended and is now one of the chief mills of Canada engaged in the making of high grade papers. The big machine is busy most of the time on books, bonds and manilla papers, which find a market in all parts of the country. Provision has been made for a second machine, but awaiting the securing of wood limits which will assure a permanent supply of raw material the installation of the second machine has been deferred. If the company is successful in procuring a section of the Nipigon limits now being advertised by the government, this installation will follow in a short time.

Bathurst Company Ships Wood Pulp to Japan

From Our Own Correspondent.

MONTREAL.—Recently the Bathurst Company made a shipment of wood pulp to Japan. This is the first time that the company's mill has sent its products a distance and it is thought that there are good prospects of this trade developing. This is the first shipment of wood pulp which has left New Brunswick for Japan.

ANOTHER MILL PENDING

The district of Quebec may have a new pulp mill to cost between $3,000,000 and $5,000,000 if the litigation now in the hands of the courts between the Leaside Engineering Company and the Bayless Pulp and Paper Company, results favorably for the latter company. The Mead Investment Company, which is connected with Spanish River interests, is understood to have offered to take over the Canadian interests of the Bayless Pulp and Paper Co. which consists of the St. Anne Pulp and Paper Company and the Beaupre Pulp and Paper Company.

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MONTREAL LEADS IN GRAIN

MONTREAL.—For the fourth successive year in its history, the port of Montreal again carried off the palm as the greatest grain exporting seaport in the world. Records kept by the Harbor Commissioners show the movement of grain through the various ports of North America since the year 1904, and during that period of twenty years no port, even amongst those more fortunate ones favored with twelve months of open navigation, has ever approached the figure for grain handling reached by the port of Montreal in its seven months' season of navigation 1924, viz., 165,139,399 bushels received and 159,159,688 bushels shipped.

Iron and Steel

LOOK FOR BESCO TO SELL STORES RUN FOR WORKERS

End of System of Handling Merchandise For Employees Forecast

Although no official announcement has yet been made by the management of the British Empire Steel Corporation, which still has the matter under advisement, it is generally believed that the present outbreak of rioting, looting, and burning, will mark the end of a picturesque and interesting institution which has been an outstanding feature of life in Cape Breton for the past half century—the "company store," says a Sydney despatch to the "Canadian Grocer," sister publication of The Financial Post.

Some months before the strike developed its present violent aspects, reports were in circulation that the Besco chain would be sold out to the British-Canadian Co-operative, which has scored a considerable success with a smaller Cape Breton circuit of its own. This story was denied at the time by Vice-President J. E. McLurg, although it was hinted in circles close to the management that the company would not be sorry to get rid of a branch which is an annoying complication of the main steel and coal activities of the corporation, if not a source of actual loss.

As a result of previous experience, the stores were all insured against just such outbreaks as have occurred, so that should the company decide to get out of the store business altogether, it will be found that the rioters have unwittingly done Besco a good turn by looting the stocks and burning four or five of the buildings.

Although doubtless a necessity when first introduced, 40 or 50 years ago, there is a growing opinion in the country that they have long outlived their usefulness, and this view is a non-partisan one so far as the present wage dispute is concerned, being held indifferently by many company officials, labor leaders, merchants and citizens generally. Quite as frankly, widely diversified interests admit in the accompanying articles that the stores often serve a useful purpose and have been a great aid to the individual workman, particularly during the acute unemployment and distress of recent years.

The first company stores were opened by the small independent operators 40 years ago when the colliery work was seasonal and the company must provide some means of carrying the worker over the months of slackness if he was to be kept in the country. Various amalgamations of mines and groups of mines brought the stores along with them, up to the Besco merger of 1920; and until they were looted and burned, recently, there were nine of these stores in operation, ranging from the "Scotia store" at Sydney Mines, a modern department store, to the less elaborate but equally efficient branches at such places as Reserve, where the establishment would approximate a very large country general store.

Each store has a local manager and all are under the supervision of a Besco superintendent, who is also principal buyer for the chain.

Weekly Credit System

The dealings with the miners are conducted on a weekly credit system. The man and his family buy throughout the week whatever is required, and on Saturday night the amount of the store bill is deducted from his pay envelope together with other amounts for rent, fuel, medical fees, U. M. W. dues, and other items with which this article is not concerned, the balance being paid him in cash.

With the mines working full time, such credit is unlimited. During prolonged unemployment, like that of last winter, the company allows a maximum credit of $14 a week to each family to be made up when work is resumed. The local manager is given considerable latitude to curtail or increase this credit according to the worthiness of the applicant. In each store also is a clerk whose business it is to get in touch by phone with the pay office at Glace Bay for particulars of any case which may be in doubt. This system has been reduced to a point where the exact standing of any given man among the 12,000 employees of the company can be ascertained in less than five minutes.

Much Credit Advanced

The miner is not required by company rules to trade at the company store, although, during hard times, circumstances may really oblige a certain number to do so. As a matter of fact, there is a great mixture of customers, although in the aggregate only about 30 per cent. of the company's employees get on the books in the run of a year. They include every class of worker from mine managers down to the lowest paid laborer. A few men trade entirely at the store, others partly at the company store and partly with the independents. Still others deal entirely with the independents and never darken the company's doors from one year's end to another.

Up to the time the present strike broke out, the company stores had advanced goods on credit to the extent of $185,000.

Stores Bad for Thrift

A company official, unconnected with either the stores or the merchants, summed up the situation from an executive viewpoint:

"One of the worst features of the company store is that it inculcates thriftlessness instead of thrift. When times are good and credit unlimited, the system leads to waste and extravagance. It is a fact that a miner making good wages has found himself on Saturday in debt to the company because of the quantity of goods bought by an improvident wife and family at the store while he was working underground.

"Another thing is the amount of accounting involved in stores and time offices, to say nothing of hours wasted weekly by colliery managers supplying information to the stores when they should be engaged exclusively in the business of running the mines. The business of this corporation is to mine coal and make steel and sell both, and the time and attention of its officers should not be wasted unnecessarily upon such side issues as company stores. Furthermore, it is probable that a balance sheet from the beginning would show that the corporation has actually lost money on its store business.

"Finally, there is the psychological effect upon the community. There is no doubt in my mind that the whole idea of the check-off is wrong and should be abolished. The man who is everlastingly in debt to the company loses his self-respect, and becomes a less valuable citizen of the community than he would be if he drew what money was coming to him at the end of the week and spent it independently with the merchants of the town. It is a fact, stated openly on oath before several royal commissions, that due to slack times and other causes, there are men in this district whose whole earnings are checked off for union dues, store bills and so forth, and who never see a cent of their wages from one year's end to another. Such conditions are bound to result in trouble. We have passed the time in this country when such paternalism is either necessary or desirable. It is a bad public policy and it will be a good thing for the community if the company takes the present opportunity to go out of the store business for good."

C. G. E. HEAD EXPECTS BETTER BUSINESS

D. C. Durland Finds Conditions in Canada Are Showing Big Improvement

"After making an extensive trip across Canada to the Pacific coast, my conclusion is this—that the outlook for business in Canada is better than I anticipated," D. C. Durland, Toronto, president of the Canadian General Electric Co., and the Canadian Allis-Chalmers, Ltd., declared in a Winnipeg interview.

"My trip had a two-fold purpose," Mr. Durland continued, "to make a survey of business conditions, particularly as relating to the electrical industry, and to visit the branch offices of the company located in Western cities."

"In the central western part the outlook for a successful crop is going to increase the purchasing power of the agricultural districts," Mr. Durland said. "That is always the index to business conditions. On the Pacific coast, I found in Vancouver a very excellent outlook with a great deal of optimism on the part of bankers and business men. I am looking forward to a considerable increase in exports there, due to the large increase in crops expected.

Mr. Durland said that the electrical business was in relatively better condition than other industries, due to the hydro-electric development of the Dominion and the very rapid increase in the use of electric power, both for manufacturing and domestic purposes. "I am very optimistic for the outlook of the electrical business in Canada," he declared. "I believe Canada's great water power resources, which will be converted into electrical power. will be a vital factor in the building up of our manufacturing industry," Mr. Durland concluded.

Montreal "Power" Out to Build Goodwill Among Montrealers

MONTREAL.—Commencing about the middle of the present month and continuing for six months, the Montreal "Power" Consolidated will run once a week in each of the papers here a goodwill building advertisement.

Other public utilities on this continent have found that it pays to tell the public about the power business, and to let them know some of the problems which confront its executives. There is no doubt, especially in this city, that this change in policy on the part of the Montreal Light, Heat and Power, will result in definitely building up the company's goodwill account—an account which, incidentally, will never show in its balance sheet. There are many things which the company has done, and is doing, which, if known by the customers and the public, would help to make for a better understanding of the company's plans and policies. For example, during the current year, Montreal Power will pay probably something like $1,200,000 in taxes. The public does not realize this. The company's rates have moved steadily downward for a period of many years and, in addition, it has increased the scope of its service, both as regards consumers of power and gas. These are some of the points which probably will be made in the advertising.

Customers Don't Know

In addition, the man on the street probably hasn't the faintest idea why there are different rates charged for power to the man who buys off-peak power, the man who buys a continuous load, and the man who lights his house.

What bearing, then, has all this as far as the shareholders in the company are concerned? Simply this: For many years Holt and his associates have given the shareholders and the consumers a square deal. The service which the company has provided has been excellent, and, at the same time, it asks no favors of Montreal. It pays high taxes and does not even operate under an exclusive franchise. The trouble has been in the past, though, that the average Montrealer did not know all this. The only thing which he learned was possibly taken from the columns of the Montreal Daily Star, which at one time were literally filled with half truths about Montreal "Power." En passant, it is hinted that Atholstan only stopped his campaign against the Montreal Light, Heat and Power when Holt threatened to start a daily paper in Montreal which would become a competitor of the Star.

The last is, of course, beside the point, but probably nine-tenths of the Montrealers who walk up and down St. Catherine Street do not realize the fact that any company is quite at liberty to compete with Montreal Power, and that the only reason why this company has the business to-day is because it has been able to provide power and service at a reasonable cost. Just as soon as all Montreal realizes these facts, there is no doubt that there will grow up a better feeling and one of co-operation between the company and its customers. This being so, can anyone doubt that a better feeling between seller and buyer does result in better business?

ENGLISH ELECTRIC HAD BETTER YEAR

Preferred Dividend Arrears Are Reduced by 2½% Payment

From Our Own Correspondent.

MONTREAL.—The annual report of the English Electric Company of Canada for the year ending December 31, 1924, made its appearance at the annual general meeting of the shareholders held here last week. While the electrical business has been generally unsatisfactory during the year, the company was able to report a substantial gain in the gross and net earnings and a further improvement in the liquid position.

The balance sheet shows total assets of $3,028,222. The liquid position of the company has been strengthened and current assets stand at $691,989, while current liabilities amount to $158,658. This compares with current assets to the previous year of $486,809 and current liabilities of $27,973. Included in the current assets at the end of 1924 were, raw materials and work in process to the extent of $212,879; accounts receivable, less the reserve for bad or doubtful accounts showed at $407,541, and cash in bank and investments at $71,568. Both the gross and net profits for the year moved upwards to the extent of some $20,000. The profit and loss figures follow:

	1924	1923
Profits for year	$95,092	$ 75,659
Depreciation	40,000	40,000
	55,092	35,660
Previous P. & L. bal......	264,752	229,092
	$319,844	$264,752

Makes New Connection

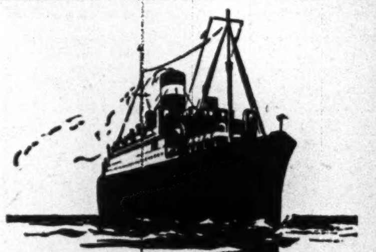
President Stinson, in addressing the shareholders, stated that the company had recently consummated a close connection with the Power, Traction & Finance Company, of London, a powerful English financial and engineering group, formed for the purpose of carrying out and financing contracts embracing civil, mechanical and electrical work.

Announcement was also made that the company had entered into the field of heavy electrical plant and machinery and had booked several important contracts, including mining, railway and water power equipment.

At a meeting of the board of directors subsequent to the annual meeting, a dividend of 2½ per cent. was declared on account of arrears on preferred stock, payable August 15 to shareholders of record of August 5. The directors announced that while the payment did not constitute the resumption of regular dividends, further payments would be made from time to time, as earnings would warrant.

TAKE 130 WHALES

VICTORIA.—One hundred and thirty whales is the catch of the Victoria whaling fleet so far this season, according to information received here. The sperm whale is the most plentiful this year.



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Canadian Bank Shares Below Their Pre-war Quotations

"Bank shares have recently been acting well on the Canadian stock exchanges and are selling at prices which have shown a constant tendency to advance. It looks as though the process would continue until practically all of them sell on at least a pre-war basis. Transactions are in fair volume for this class of security. The recent amalgamations and the failure of the Home Bank in 1923 are regarded as having fairly eliminated the weaker spots in the Canadian banking situation. The amendments to the Bank Act and the closer scrutiny of the banks by the Canadian Bankers' Association, and by the federal authorities, have strengthened the safeguards. Confidence has now been restored in no small degree and the public are once more placing their funds in bank stocks as not only profitable, but safe means of investment."

So state A. E. Ames & Co. in a bulletin they have issued on Canadian bank stocks.

The yield on purchases made on July 6 would have been approximately as follows:

	1925 Price	1925 Divid'nd	1925 Yield	1912 Yield
Commerce	207	12	6.79	4.55
Dominion	205	12 (+1)	6.33	5.11
Imperial	196	12	6.12	5.45
Montreal	247	12	4.85	4.09
Nova Scotia	274½	16	5.82	5.28
Royal	235½	12	5.10	5.41
Standard	177⅝	12	6.77	5.91
Toronto	205½	12	5.85	5.24
Union	117	8	6.83	5.33

Five of the banks have been in the habit of paying bonuses each year in addition to their regular dividends, and, if these are taken into account, the yield to the investor at current levels would be correspondingly higher. Bank shares have not yet approximated their pre-war quotations and yields as indicated by the above table.

Full comparative descriptions are given in the Ames bulletin on the four largest Canadian banks. from which the following figures of equities and earning power are extracted:

BANK OF MONTREAL

Equities for Stock

On Oct. 31, 1924, the net tangible assets, including $27,250,000 "rest," applicable to the capital stock amounted to $55,233,457, or $202.88 per share of $100 par value.

Earning Power

	Ten years, 1915-24	Annual Aver.
Net profits available for dividends ...	$29,591,918	$2,959,919
Percentage earned on $20,753,661, the average capital stock outstanding	142.58%	14.26%

ROYAL BANK OF CANADA

Equities for Stock

On Nov. 30, 1924, the net assets, including $20,400,000 reserve fund, applicable to the capital stock amounted to $41,943,806, or $205.61 per share of $100 par value.

Earning Power

	Ten years, 1915-24	Annual Aver.
Net profits available for dividends ...	$26,600,164	$2,660,017
Percentage earned on $16,473,632, the average capital stock outstanding	161.47%	16.15%

CANADIAN BANK OF COMMERCE

Equities for Stock

On Nov. 29, 1924, the net tangible assets (including $20,000,000 rest account) applicable to the capital stock amounted to $41,218,080, or $201.09 per share of $100 par value.

Earning Power

	Ten years, 1915-24	Annual Aver.
Net profits available for dividends ...	$24,028,932	$2,402,893
Percentage earned on $15,466,667, average capital stock outstanding	155.36%	15.54%

BANK OF NOVA SCOTIA

Equities for Stock

On Dec. 31, 1924, tht net tangible assets, including $19,500,000 reserve fund applicable to the capital stock amounted to $29,837,723, or $298.38 per share of $100 par value.

Earning Power

	Nine years, 1916-24	Annual Aver.
Net profit available for dividends ...	$14,035,025	$1,559,447
Percentage earned on $8,616,879, average capital stock outstanding	162.88%	18.09%

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W. M. Wilson, *Pres.* C. Morrison, *Treas.*

DOMINION FINANCIAL CORPORATION, Limited

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News of the Mines for the Investor

Brokers Select Shares Which They Regard as Good Buys

Are Shares at Low Level at Present?—Many Stocks Have Promising Outlook—B. C., Quebec and Ontario Issues in Forefront

Mining in Canada is on a sound basis. The industry is very prosperous and a great deal of new development, involving the expenditure of millions yearly, is going on. In striking contrast is the market for mining stocks. The general average of quotations is low. The time seems most opportune to purchase sound stocks on an attractive basis. There are also many speculative issues that seem attractive at present prices.

With these facts in mind, The Financial Post has written a number of brokers asking that they give their investment and speculative choices from among the mines, to the end that our readers will have the benefit of experience and knowledge in making purchases.—D. E. C.

R. P. Clark & Co., Vancouver: Speaking of British Columbia, we can say that there never was a time so opportune to buy B. C. mining shares as at the present moment. To substantiate this statement we might mention a few facts to corroborate:

The history of the Premier Gold Mining Co. in the Portland Canal district of British Columbia is an outstanding example of the possibilities of this great province from a mineral standpoint. During the past four years they have paid out in dividends the sum of $7,940,000. At the present time the regular dividend of eight cents a share per quarter amounts to 32 per cent. per annum. In addition to paying out these tremendous dividends, their financial statement at the close of 1924 showed quick assets of approximately $2,000,000. This is a record of which British Columbia is very proud, and in our estimation represents only the commencement of activity in the Portland Canal district.

The Dunwell Gold Mine, situated on the Bear River side of the Portland Canal district, has developed a property which we understand has possibilities as great, as the Premier; although the shares are quoted around $4, the small capitalization of $350,000 leaves this property in splendid shape for further development. In a report received today from one of the prominent men of Stewart, B.C., it is stated that Dunwell has the biggest ore body ever opened in the north. Although this mine has not yet commenced shipping they already have developed their property on four levels to a depth of practically 1,000 feet and in length probably 500 feet. Since this work was done they have discovered what is considered the same ore body 1,500 feet north, the values showing up better even than in the other part of the mine.

Glacier Creek: This property also has splendid possibilities in our estimation. Considerable ore has already been discovered, and as it is controlled by the same interests as Dunwell it is very probable that the two properties will be operated together. The capital of this company is also very reasonable, amounting to only 800,000 shares and selling at the present time around 20 cents per share.

B. C. Silver: This company, which is controlled by the Seluwke Corporation of London, England, has already, through development work by tunnels and diamond drilling, disclosed ore bodies as great, if not greater, than the Premier. A large interest is held by the Premier people and it is very likely that at some future date these two properties will be amalgamated.

Other important properties in the same district which we might mention as having already done considerable work and showing splendid possibilities, are as follows:

Daly Alaska, Silver Crest, L. & L. Glacier, Independence, Porter Idaho and Lakeview.

We might make particular mention of another property which is under development at the present time and which in the estimation of some of the leading mining engineers is considered to have exceptional possibilities. We refer to the Georgia River Gold Mines. This property has probably the most spectacular vein system in the entire Portland Canal district. It has been exposed for over 3,000 feet. A considerable amount of development has already been completed and at the present time additional financing is being undertaken in Vancouver and also in Eastern Canada to further develop this property. It has been reported upon by several very prominent engineers and their unanimous verdict is that Georgia River has great potentialities.

In conclusion we strongly advise those who are considering an investment in this province to seek information from a reliable firm who are in a position to give impartial views, in regard to the mining situation. As is the case in all mining fields, many wildcats will make their appearance, sponsored by firms with strong armed salesmen and extensive advertising. We already have some of these in our midst, and a large sum of money has already been subscribed by the unsuspecting public in companies which have little or no chance of success owing to the fact that such a small proportion of the money subscribed will go into actual development of the property. The public, however, have themselves to blame when they buy shares in companies through firms who are not known and who only exist during the time of extreme mining activity. We appreciate the efforts of a publication such as The Financial Post to bring before the Canadian people the facts in regard to British Columbia mines. The standing of your journal will no doubt give considerable weight to the statements made therein. The people of Canada have a heritage in this province as well as in other parts of Canada which should in future years bring prosperity to its people. It will be unfortunate if our great natural resources are acquired by financial interests in other countries and the immense profits to be earned leave the country to benefit other nations. We appreciate the aid of outside capital to develop the country but we to a greater extent appreciate the financial aid if supplied by our own people.

Heywood and Leiser, Victoria: We consider the present year most opportune for investment in the mining industry. Our firm specializes entirely in the Portland Canal mines which are in the Portland Canal Mining Division of British Columbia.

This country has produced the wonder mine, viz., the Premier, which to date has issued dividends of over 7½ million. In our estimation the Portland Canal is without doubt one of the greatest mining centres in the world at the present time and offers the brightest prospects and possibilities for the future. We are fortunate in having Mr. Heywood a partner in our firm as he has been associated in that country for the past fifteen years despite the fact that he is at the present time a comparatively young man. He first became associated with mining in Ontario some sixteen years ago and from that time on he has followed activities in various parts of the country. Great development work has been done in the past twelve months in the Portland Canal District, much capital having been subscribed in British Columbia and especially in Victoria city. Everyone here is most intent upon the subject.

Besides the well-known Premier there are several other properties which have shown great results through the development work, notably the Dunwell, which has proved to be a great mine and this will shortly be on a dividend paying basis.

For those interested in mining the Portland Canal offers many first-class sound speculations. The companies operating in Victoria are all first-class and it is a well-known fact that the mining laws of B. C. are the best known anywhere.

Whilst we handle stocks in all the mining properties in that district we have already floated two number one companies, viz., the Terminus, which is a very high-grade proposition, some sixteen or seventeen miles from the city of Stewart and in which development work has been in progress all winter, and also we have the Union Silver Mines, Ltd., on Glacier Creek, some six miles from Stewart. Both of these properties are in charge of the well-known mining engineer, B. W. W. McDougall. The B. C. Yearly Mine Book, issued by the provincial government here, contains a report of the progress which has been made in practically all the mines. Likewise there has been a special edition published by the Mining and Engineering Recorder of Vancouver, B.C., under date of May 25, which deals at length with the Portland Canal.

We, therefore, have no hesitation in recommending in a general way investment in various Portland Canal properties, and we thoroughly believe that within another year the properties now under way will have been sufficiently developed to prove to the world in general the value of B. C. mineral wealth.

Morgan U. Kemerer, Toronto: In the dividend-paying class we strongly favor Dome, Lake Shore and Premier Gold. Amongst the silver issues we favor Keeley, Mining Corporation and Lorrain Trout Lake. Were these three last issues selling entirely in Canada and the United States they would undoubtedly be selling at much higher prices, as in our opinion, the London market tends to unsteady the price in these three issues. The physical condition of all five of these dividend payers is very strong and in our opinion they are all young mines and their dividend record should be a long one.

In that class which includes producing mines, but non-dividend payers, we strongly favor Teck-Hughes and Vipond among the gold issues and Castle-Trethewey in the silver list. Of these three Castle-Trethewey is probably the outstanding purchase.

In the more speculative class we favor Goldale, Preston E. Dome, Argonaut and La Rose. La Rose would probably be our favorite inasmuch as its production is steadily mounting, and their programme of exploration is giving excellent results. Goldale is in very fine position and with continued success on Coniarum, this issue will undoubtedly sell at much higher prices. Preston we favor on account of its location in regards to Dome.

We believe that anyone desiring to make the most of the future of mining will do well to watch the progress of Northern Quebec, particularly in the Eastern section south of Amos. Much has been said and written concerning the western section centring around Rouyn Township with the effect that developments in the eastern end in Dubuisson and Bourlamaque Townships have been largely overlooked, and we would like to take this occasion to point out that this eastern section is the centre of the oldest activity in Quebec and it is here that Quebec will see its first producer and in all probability its second. This section has no transportation problem, inasmuch as there is an open water lane from Amos right into the heart of the district—Lake Blouin. Another feature that has tended to hide its light, is the fact that up to date all the development work has been done by private interests and very little public money has been subscribed to further its progress.

It is unfortunate, but nevertheless true, that private interests (and by that I mean large companies amply financed) are steadily procuring the best locations in our mining districts. These companies are willing to take the chance and in doing so they reap all the rewards. If this tendency keeps up—and at the present time it is aided by the public—the only interest that the public will have in our mining districts, is as a safe investment with moderate returns. In the past public money developed our natural resources and large fortunes have been made from comparatively small risks; yet the tendency of the times is to do away with all risk, and it is this tendency that is retarding the development of our natural resources. That our great natural wealth will be recovered goes without saying. The point remains to be seen as to whether the wealthy individual will become wealthier, or whether the public will share nature's rewards. In the meantime, the field is open for all, and where one opportunity existed ten years ago, the present day offers fifty and in our opinion one can have no worthier object than the endeavor to procure funds for the development of our vast resources.

Mason & Diespecker, Victoria, B.C.—The best and soundest buy among the dividend payers in this province is undoubtedly the Premier Gold Mining Co., Ltd. This company is well known in the Eastern market and requires no further comments on our part. The company has been paying 32 per cent. per annum for some years. This gives a return of about 16 per cent. on its present market price of $2.25. For the best speculation among the companies operating in the Portland Canal District, we would strongly recommend Lakeview (Stewart, B.C.) Mines, Ltd., (N.P.L.). This company has been in continuous operation since its inception in April, 1924, and has done a great deal of development work. We enclose extract from the minister of mines, 1924 report, giving particulars of the work done up to the end of the year. Since that time No. 3 tunnel at 300 feet of depth has been driven in 751 feet at which point a 12-inch vein was struck, carrying good values (assays went $116, in gold and silver). This vein is now being drifted on both east and west. In the east drift at about 20 feet the vein widened to three feet, carrying high-grade ore showing native silver, ruby silver and argentite in great quantity; returns from assays have not yet been received, but should easily run $200 per ton.

This company is one of the best managed in the district and we look for rapid development in the future. The highest grade ore is being sorted and stored in dump for shipment as soon transportation facilities warrant it, and it is expected that shipment will be made throughout the winter months.

In our opinion this is the best buy on the local market.

We also recommend Dunwell Mines, Ltd., adjoining the above company. Recently a new strike was made some 1,500 feet north of present works. Samples from these open cuts are full of native silver, ruby silver and argentite. The management contemplated a sale of the property but this strike has considerably altered the state of affairs and the matter of a sale at the price previously intended will now require re-consideration. Assays from the open cuts referred to ran extremely high.

This strike on Dunwell is leading directly into the Victoria Mines property and considerably improves the value of that company and the adjoining Olympic Mines, Ltd.

These properties are all on the Bear River section of the district. In the Salmon River section a well-known property is the B. C. Silver Mines, Ltd., adjoining the Premier, and also the National Silver. These have excellent prospects and we look for interesting developments in these properties and also the Silver Crest and Silver Tip.

VIPOND

Development on Vipond is going on below the 1,000 foot level and indications are that large ore bodies of high gold content are to be expected. The plan is to immediately open up the downward extension of No. 16 vein which was explored by some 20 diamond drill holes.

Vipond's year closed on July 31st. The last report showed over $3,000,000 ore reserves and current assets of about $180,000. A report recently quoted gives the net monthly profit at about $10,000 so it would appear they will have added well over $100,000 to the cash position during the year.

KEORA

In conversation this week with an official of Porcupine Keora, F. G. Oke & Co. obtained the following information regarding their Gowganda property.

Drifting on the 200 foot level of No. 1 vein shows 1,500 ounce ore over a width of three to four inches, and ore of a good commercial grade is also being obtained on the 100 and 150 foot levels. To-date several veins, each showing native silver, have been found, but development has not proceeded far enough to reveal their productive probabilities nor the nature of the vein system. All the veins found so far have been in diabase, but a wire received Saturday stated surface exploration had located Keewatin. This favorable combination of formation, and the veins carrying native silver, give Keora very bright prospects of becoming a substantial producer.

The company expect to have their new mill of 30 tons daily capacity in operation by the latter part of August.

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As this company is in a position to arrange the sale, or financing, of any property which measures up to required standards, it is suggested that prospectors and exploration companies file particulars of properties or discoveries with us. These will be treated in strictest confidence. If they appear to merit serious investigation every effort will be made to obtain a fair and disinterested appraisal. If the results are satisfactory, arrangements for sale, or financing, will be made in such a way that the interest of prospectors will be thoroughly protected from every standpoint.

707 Canada Cement Building
MONTREAL

Current Events in Banking World

WHAT ABOUT THE ACCOUNTS THAT SHOW NO PROFIT?

How American Bankers Are Stopping a Dangerous Leak

How long are unprofitable accounts to be tolerated? That is a vexing question. It is difficult to establish regulations which can be generally applied. A customer with a savings account which does not pay may bring other business of a profitable character. Canadian banks are now generally adopting a checking charge and leaving its application to the branch managers; this method seems likely to continue. What is being done in the United States in regard to these unprofitable accounts will, therefore, be of interest. The following article was written for the Bankers' Magazine by Allan F. Wright after a survey of the situation. —J. W. T.

A short time ago a stranger came into the bank and talked with me relative to opening a checking account. He inquired as to the rate of interest allowed, asked if we would give him a check book printed with his name on the end and wanted to know if his checks would be insured free of charge. I began to speculate on getting a large account, when finally he remarked, "I'd like to start with $10." I refused it. He said, "Well you're the first banker I've met that ever refused an account. What else is a bank for, anyway?"

My visitor was one of a certain class of people to be found among bank depositors, particularly those of the smaller accounts, who look upon a bank as a sort of philanthropic institution, operated for the express accommodation of the public, and who draw the inference that if their checks are covered so that overdrafts are avoided they have done all that the occasion requires. They are what bankers call "losing accounts"—depositors who conduct their accounts on a hand-to-mouth basis—but who have long been tolerated as a sort of necessary evil. They are captivated by a sense of their own worth and importance. In fact they believe the bank couldn't function without their support.

Let us, as bankers, consider for a moment just what a bank's commercial department does for these customers who have deposit accounts subject to check. It performs a great variety of services which cannot be measured by figures alone. It receives for deposit cash and other items for collection. These deposits may consist of currency, checks coupons, drafts, or other instruments of credit. The money is kept safely in the bank's vaults and the various other items are sent to the places where they are payable for collection. When payment has been effected the amounts are all credited to the depositor's account, payable to him. It provides him with many different kinds of gratuitous stationery. It pays, cancels, files and has ready for delivery on the first day of each month all the customer's checks which have passed through its hands during that month, together with a statement showing the balance at the beginning of the previous month, the date and the amount of every transaction during the present month, and the balance or the last day of that month. It warrants that the individual or firm to whom the checks are made payable has received payment, and no one else. It warrants not to pay forged or altered checks, and performs many other acts of inestimable value to its customers.

The only compensation the bank receives for performing all this is the use of the depositor's funds as they are not checked out. Clearly accounts of small individuals who use a bank merely as an expedient station and keep only enough funds on hand to meet a multitude of small checks are of little or no value. Yet a bank, unconscious of any mean motives and living in the presence of a sacrificial spirit as it were, dislikes to eject them and seldom does so, notwithstanding the fact that it frequently entails unwarranted losses.

The Monthly Service Charge

Many banks in different parts of the country who have struggled with the small checking account problem appear to have solved it by the exaction of monthly service charges on active checking accounts which fall below a certain specified minimum. Officials who have investigated the matter have a record of over sixty clearing house associations who have adopted rulings for their member banks compelling the service charge. In addition to these clearing house banks a great many institutions in the smaller places are making the charge not under clearing house regulations but through some volunteer agreement among themselves, and in a few instances single banks are acting individually.

Out of these sixty odd clearing house associations the author selected a representative list of twenty-five principal cities of the United States and wrote to the manager of the clearing house in each city asking for an opinion as to the feasibility of the monthly service plan and how it was working out in each instance. The results were surprising. Banks who approached the matter with considerable fear when the charge was put into effect did not jump from the frying pan into the fire as they had expected, for the results of this investigation show that almost without exception the public took the plan quite gracefully. In fact, the composite opinion of these twenty-five clearing house associations might be expressed in the opinion of the manager of the clearing house association of Phoenix, Arizona, who wrote: "All the banks here are in hearty accord with the plan and I believe that each bank individually would continue the charge even though the clearing house ruled it should be discontinued."

The Service Charge Works

Without using stronger language than the facts justify I do not believe that it would be premature for me to forecast the time when all banks will charge for their services like other business institutions. Indeed, as bankers enter sympathetically into the consideration of the fairness of the practice and cease their dilly-dallying with the question I am looking forward to that time.

It is my firm conviction that in the average bank more than 60 per cent. of the active checking accounts are carried at a loss. Certainly there is nothing which contributes toward sound banking in rendering service to thousands of people at a loss. The intention may be good, but the method is wrong. It is neither fair to the bank nor to the owners of these small checking accounts. Would people not have a higher regard for a bank's services if they were obliged to pay for them?

BANKERS DISCUSS MUTUAL PROBLEMS WITH FARM HEADS

Experimental Farm in New Brunswick Scene of Unique Meeting

The close relationship between banking and agriculture in the development of the country was recognized when Bankers' Day was held at the Dominion Experimental Farm at Fredericton, N. B., and 44 bank managers came out to see what was being done to put farming on a more scientific basis. In addition to bank managers from many widely separated places in New Brunswick, leaders of agricultural and kindred organizations also gathered.

A get-together luncheon featured the day. At the luncheon, Hon. W. D. Mersereau, minister of agriculture for N. B., discussed the relationship of the banking institutions to agriculture. The minister said that too much credit had damned the country. He would suggest to the bankers assembled that there be less credit and smaller interest charges on the loans already advanced to the farmer. Discussing agriculture as an occupation, the minister said that if it were thought that any man could farm, the idea was wrong. There was nothing which required so much skill as farming.

"Almost any man can be a banker," said the minister amid laughter. "Banking requires only one line of thought. The farmer who meets the problems which confront him must know something about almost everything."

Dr. E. S. Archibald, of Ottawa, director of experimental farms, spoke in the absence of Dr. J. H. Grisdale, who could not attend. He urged that the bankers exert their influence to stimulate activity in agricultural education.

World Market Position

Canada's high position in the world markets had been due to the quality of her agricultural products. Her agricultural position was improving from year to year. The present year promised good crops with prices at least fair. The determining factor was the volume of unit production. Among the provinces the volume of production determined which province could hold the best position in the world's markets. Canada's prosperity depended on its export trade. All could remember when Canada enjoyed a huge export trade. Unfortunately that was not true at present, he said. The dropping of Great Britain as a market could be classed as nothing but short-sighted. The present situation disclosed poor distribution.

The Eastern provinces had permitted their beef strains to deteriorate through the use of inferior sires. This was regrettable, for these provinces, in their geographical position, possessed a great advantage in proximity to overseas markets. He could cite the fact that a beef steer raised in Nova Scotia sold for £28 and one from Alberta for £33 to £35.

Still the profit on the Nova Scotia animal was higher because of greater proximity to the market.

The farmer, he believed, should put less dependence in legislation and more in thorough organization.

Banks Ready to Aid

D. McGillivery, supervisor for the Maritime Provinces and Newfoundland of the Canadian Bank of Commerce, said that there was no desire on the part of banks not to give financial aid to the farmer who was entitled to it. As far as the Maritime Provinces and financial aid to farming was concerned, he was glad that these provinces had not entered into banking, as had some others, which were getting out of the business more or less gracefully.

THIRTY MORE ELEVATORS

REGINA.—Construction of thirty additional elevators at points in the province where it is found impossible to purchase buildings, has been authorized by the executive of the Saskatchewan Wheat Pool. Contracts have been awarded under the new authorization for the erection of elevators at fifteen different points.

BANKS HERE WON'T BUY NON-RECOURSE AUTOMOBILE PAPER

Type of Note Issued Not a Bill of Exchange

By A. B. BARKER.

The financing of the sales of automobiles on the instalment plan has developed a new type of business, new at least in details, though the principles are old. Like all similar plans, the essential point is that the title to the article sold remains vested in the vendor, until the notes representing the debt have been paid. Evidence of this title is embodied in the note in the form of an agreement setting forth the existing lien. These lien notes are accepted by dealers from customers who buy cars on credit, and are a legitimate and satisfactory way of protecting the interests of the vendor pending the payment of the debt.

The dealer, in order to pay the manufacturers for the cars, must have some means of realizing on these debts before maturity, as the manufacturer of the cars insists practically on cash on delivery, and the dealer must therefore have sufficient capital to permit him to do this from his own resources, or he must borrow by hypothecating these lien notes as collateral.

Accommodation from a commercial bank on this class of security is not easy to arrange, as instalment notes, as a rule, are most unsatisfactory from the bank's standpoint, because of the possible difficulties of collection.

Not Bills of Exchange

Lien notes are not bills of exchange in accordance with the Bills of Exchange Act, as the lien clause has been held to constitute a conditional promise to pay, and they are, therefore, not negotiable. Property in the lien does not pass by mere endorsement, but must be specifically transferred; also until the notes are paid and the lien extinguished the maker has a right of set-off for any legitimate claim he may have against the vendor in connection with the article to which the lien refers, and any subsequent holder of the lien note, before maturity, must take it subject to this right.

To the ordinary layman a note of this kind, secured by title to a specified article, would appear to be most desirable collateral upon which to base a loan. It is not, for the reason that a lien note is not a bill of exchange, and, in the case of enforced realization, the bank is not equipped to handle the collateral to advantage. Any advance, therefore, which banks have made against such paper, have been on the credit of the dealer, and a margin has been required sufficient to protect the bank against, not only loss, but undue delay in collection. The dealers are well protected, as they insist naturally on an adequate first payment; they hold title to the car, and, to guard against accident, see that full insurance of all kinds is carried by the purchaser and is payable to them. Also, when the agreed-on payments are not forthcoming promptly, take steps to repossess the car, and realize on it without delay.

Need for Special Facilities

In view of the difficulty of arranging bank loans for the purpose, special organizations have been formed to handle the business. They usually have large resources, and consequently good credit standing, and, therefore, find it comparatively easy to arrange for the necessary accommodation, either from banks against collateral, or by selling these notes on the market through bill brokers. Through their connections they are equipped to realize on repossessed cars to the best advantage, and in their hands this security, therefore, will not be subject to the same depreciation as it would in the hands of a bank. Also these organizations act as insurance agents, and the commissions on the premiums charged the purchasers form a steady and sure source of income, which would be denied to a bank.

These are the bankers referred to, and not the chartered Canadian banks, stated to be considering the acceptance of such paper from dealers without the guarantee of the dealer. There is no great concession in this, as it will simply mean that they will exact a larger cash payment on each car. If the dealer is satisfied with a small first payment the lien notes representing the sale will not be accepted until another instalment or so have been paid and the equity in the car is large enough to ensure the purchaser carrying out his agreement.

The organizations may be depended upon to see that they are admirably secured.

Staff Gossip

H. E. Peacock, formerly with the Imperial Bank of Canada at Kamloops, B.C., and more recently at Cranbrook, is now stationed at Banff.

* * *

A. Glenn Thompson, of the Campbellford, Ont., branch of the Standard Bank, is acting manager of the branch at Almonte during the absence of the manager, Mr. Reeve, on holidays.

* * *

Mr. Russell Moore of North Sydney has been transferred from the branch of the Bank of Nova Scotia here to Pembroke, Ont. The departure of Mr. Moore from North Sydney is to be regretted, as he was one of the town's most popular young men and as a member of the Y. M. C. A., always took an active part in the work of that organization. — North Sydney, C. B., Herald.

More Branches Closed Than Opened In July

Seven new branches were opened by Canadian chartered banks during the month of July, and thirty-seven branches closed, a loss of thirty-one branches during the month. Following is a list of the branches opened and closed:

Opened

Canadian Nationale—Ste. Ursule, sub-agency, Que.

Commerce—Wembley, Alta.

Provincial—Sherbrooke, St. Polycarpe, Rimouski, La Patrie, sub-agency to Lac Megantic, St. Barnabe, (Michaudville) sub-agency to St. Denis, Que.

Closed

Canadian Nationale—L'Epiphanie, Quebec, St. Sacrement, also sub-agencies St. Jean Chrysostome, Oka, St. Placide, St. Barthelemi, St. Denis sur Rich, St. Bernard, St. Roch L'Aichigan, Notre-Dame des Bois, La Patrie, Que.

Commerce—Iroquis, Orangeville Bank of Hamilton Branch, Ont.; Rimouski, Que.; Elbow, Sask.; Lake Saskatoon, Alta.

Imperial—Kamloops, Alta.

Montreal—Hampton, sub. to Bowmanville, Harrow, Thedford, Ridgeway, Owen Sound, Kilborn block branch, Ont.; Montreal, St. Remi & Notre Dame Sts. Que.

Provincial—Dalhousie, N.B.; St. Joseph de Sorel, sub-agency to Sorel; St. Constant, sub-agency to Montreal; St. Isidore, sub-agency to Montreal; Grondines, sub-agency to Three Rivers; St. Paulin, sub-agency to St. Barnabe; St. Stanislas de Champlain, sub-agency to St. Tite; St. Magloire, sub-agency to St. Raphael; St. Fabien-de-Panet, sub-agency to St. Anselme; Cap St. Martin, sub-agency to Ahuntsic; St. Benoit, sub-agency to St. Eustache; St. Ursule; St. Chrysostome.

Weekly Bank Clearings

(In comparison with the same week last year)

EASTERN CITIES

	W'k. end. July 31, '24	W'k. end. July 30, '25
Halifax	$2,555,436	$2,846,594
St. John	2,506,642	2,725,506
Moncton	691,562	749,005
Sherbrooke	609,765	745,863
Quebec	5,867,084	5,298,438
Montreal	89,475,778	80,523,661
Ottawa	5,140,198	4,722,681
Kingston	586,938	658,310
Peterboro	667,303	630,500
Toronto	89,240,772	86,176,307
Hamilton	4,171,673	4,153,609
Brantford	807,262	829,994
London	2,079,794	1,920,879
Kitchener	698,439	888,672
Windsor	4,171,986	3,523,148
Total	$208,612,348	$196,393,167

WESTERN CITIES

	W'k. end. July 31, '24	W'k. end. July 30, '25
Winnipeg	55,177,057	39,316,200
Brandon	408,139	526,695
Regina	2,340,817	2,757,162
Prince Albert	232,343	241,205
Lethbridge	434,653	625,462
Medicine Hat	213,666	165,169
Calgary	4,381,273	5,920,825
Edmonton	3,410,034	3,613,961
N. Westminster	546,425	559,507
Vancouver	14,661,775	14,416,109
Victoria	1,739,944	1,689,572
Moose Jaw	1,064,746	879,657
Fort William	881,608	598,007
Saskatoon	1,703,025	1,555,977
Total	$87,145,495	$72,865,508

International Harvester to Add 400 Employees

International Harvester Co. of Canada, who are completing arrangements to manufacture binder twine in Hamilton, will open a unit shortly that will add 400 employees to their staff. They will import the raw material direct. The company claim they can make binder twine cheaper in Canada than they can in the States. The company are now employing about 3,000 hands.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 30	x⅛	7-64	†⅜	¼
July 31	x7-64	3-32	†9-32	¼
August 1	x3-32	3-32	†5-16	¼
August 3	x3-32	3-32	†9-32	⅛
August 4	x1-16	1-32	.....	..
August 5	x1-32	1-32	†⅛	1/16

xDiscount. †Premium.

STERLING, FRANCS AND LIRE

	Demand Sterling	Demand Francs	Demand Lire
July 30	4.85 1-16	4.74¼	3.66
July 31	4.85⅜	4.74	3.66½
Aug. 1	4.85	4.72	3.66
Aug. 3	4.85½	4.74	3.65½
Aug. 4	4.85 7-16	4.71½	3.64½
Aug. 5	4.85½	4.70¾	3.63½

MURRAY SMITH TRANSFERRED

Murray Smith, manager of the Standard Bank at Lucan, Ont., for the past five years, has been notified of his transfer to Brighton and will leave to take up his new duties about the middle of August. The present manager of the Standard Bank at Shakespeare is expected to take Mr. Smith's place here.

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	Month of July, 1924	Month of July, 1925
Halifax	$13,567,481	$13,181,886
St. John	12,115,388	12,170,108
Sherbrooke	3,889,614	3,745,987
Quebec	29,094,701	26,494,374
Montreal	445,914,022	413,705,600
Ottawa	27,029,850	26,445,592
Kingston	3,707,065	3,356,853
Peterborough	3,515,371	3,605,495
Toronto	431,836,483	390,105,762
Hamilton	24,087,820	23,116,192
Brantford	4,566,231	5,176,603
London	12,113,419	11,836,906
Kitchener	4,138,844	4,412,628
Windsor	17,073,123	14,472,513
Total	$1,032,967,950	$951,827,344

WESTERN CITIES

	Month of July, 1924	Month of July, 1925
Fort William	3,967,644	3,486,371
Winnipeg	264,651,660	200,664,189
Brandon	2,343,569	2,800,946
Saskatoon	6,826,336	6,822,027
Moose Jaw	4,513,103	4,837,966
N. Westminster	2,760,407	2,929,231
Lethbridge	2,156,933	2,596,710
Calgary	20,176,874	29,984,711
Edmonton	18,832,383	18,874,649
Vancouver	74,739,270	69,790,571
Victoria	16,105,169	8,853,329
Medicine Hat	1,392,944	1,976,759
Regina	13,525,218	15,923,506
Total	$421,031,510	$369,540,945

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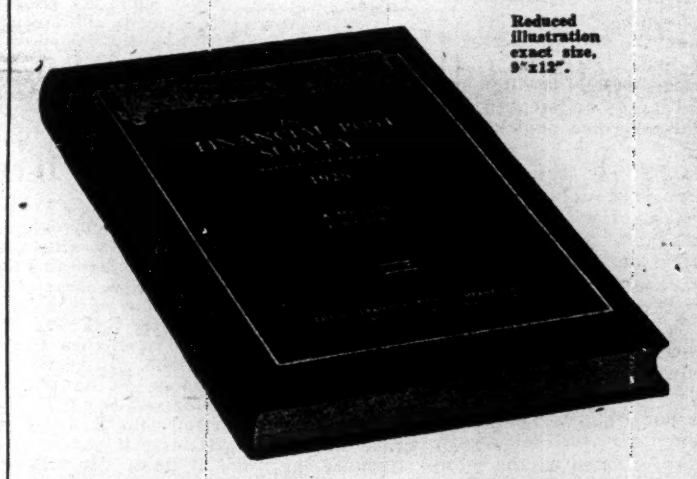
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TORONTO, AUGUST 7, 1925

ECONOMY NOT POLITICS

MANY business men see in the present discussion on the subject of Canada's over-high taxation evidence of pre-election propaganda. This is a narrow view. The man who is afraid to speak the truth of high taxation's effect on his business, lest he be accused of dabbling in politics, hardly deserves to have his taxes reduced.

Tax reduction is not a Liberal policy nor a Conservative policy. It is a policy for the nation, but the nation must show evidence of support of the policy before political leaders will upset the status quo to abolish spending—which is always popular—and adopt saving—which always loses a few votes to start with.

RHODES STARTS WELL

PREMIER RHODES, of Nova Scotia, stepped into a serious muddle in the coal strike situation when he took office. He has already made progress to the end of bringing the costly strike to an end. His suggested plan for the levelling of the obstacles in the way of settlement shows courage and resourcefulness. It is to be hoped that it will provide at least the basis for a final settlement.

The province makes important concessions in coal royalties. But it is better to rebate a portion of the coal royalties and increase coal production than to have continuous labor troubles that reduce production and thus reduce the royalties. The main thing needed for prosperity in Nova Scotia is an annual production of coal in the neighborhood of 7,000,000 or 8,000,000 tons. Given that, Nova Scotia would prosper, the provincial revenues would be buoyant, the miners would have ample work at satisfactory pay and the British Empire Steel Corporation would have a chance to make good.

THORNTON'S CHALLENGE

SIR HENRY THORNTON'S suggestion to the G.T.P. shareholders to submit their claims to the test of law has an air of definiteness and finality about it that ought to bring good results. Either the G.T.P. shareholders should accept the challenge to a fair examination of their claims or stop their unfair attacks on Canada, attacks that have undoubtedly harmed our credit in the Old Country and pushed us closer to the United States financially.

The opinion has long been held by many leading Canadian financiers that Canada owed nothing more to the Grand Trunk shareholders than it gave them, but that it would have been good business for Canada to have made further concessions in order to have avoided the insistent and somewhat insidious propaganda of the Grand Trunk investors against this country. But Canada decided against such a quiet bribe and is slandered.

It might be suggested to some of these ranting investors that they look up the optimistic speeches of their own directors and leading shareholders at annual meetings, during the years when the Grand Trunk Pacific construction was mooted. They will see that it was their duly elected representatives who led them into a financial maelstrom.

INVESTORS MUST WATCH

"BUT for forgery and perjury this cursed fiasco would never have been pulled off." The former vice-president of the sadly defunct Hearst Music Company of Winnipeg made this statement, discussing the affairs of the company that took thousands of dollars of the savings of Manitoba people.

His statement, reflecting the experience in the Hearst case, indicates that modified blue sky laws such as some Canadian provinces, including Manitoba, have, can never be entirely satisfactory in safeguarding investors.

Investors must continue to use their own judgment in choosing the securities they buy and to check up their judgment with the opinion of qualified and experienced advisers.

If there is any weakness in blue sky legislation it is that it gives the average investor a false sense of security.

SOLVING PARKING PROBLEMS

IN THE street cars of a large Canadian city there are advertising signs advising salesmen to make their city calls by street cars. It is suggested that this will save them much for they will not have to waste time trying to find space to park their own motor cars.

Parking is not entirely a problem for civic officials. If it is going to reduce the use of the automobile it becomes a problem for manufacturers of motor cars, tires and accessories. It has often been found that the best way of stimulating sales is to remove obstacles that stand in the way of sales, even when the direct connection is not immediately apparent.

When motor manufacturers find that parking difficulties begin to slow up sales of cars they will study and solve the parking problem.

YET TO MASTER COAL

ELECTRICAL engineers talk about 97 per cent. efficiency of their water power generating units. Not only are the machines efficient but the workers who run them are also steady and productive. One seldom hears of a strike in a water power plant.

Man has made better use of water power, his newer motive force, than of coal which, with iron, has always been considered the key to industrial power. Combustion engineers have been able to make use of too small a proportion of the total energy available in coal. There is waste on every side in the use of coal.

The waste is greatest in production. England, the United States and Canada, both in Alberta and in Cape Breton, see coal strikes and threats of coal strikes continuously.

We have far to go yet in making the proper use of coal.

SOUNDER SELLING

ATTEMPTS—as yet unorganized in Canada—to eliminate price cutting and bargain sales as ever present features of merchandising are evidences of reaction against unsound selling methods of the past few years. There are stores in Canada that have thrived on cut price merchandise. On the whole, though, the tendency to cut prices below the margin necessary for overhead and a moderate profit has so reduced retail profits and wholesale profits as to weaken the stores that have become panicky and followed suit.

Less is heard to-day than formerly about the High Cost of Living. As a matter of fact, the High Cost of Living does not exist. The middleman is there, performing his usual useful functions and the retail merchant is also there as the final and most important link in the chain of distribution, but in many, many lines neither the intervening distributor nor the retailer is getting his fair fee for the service he is performing. The public is buying many lines away below cost. This is just as unsound as the more discussed profiteering that was charged a few years ago.

With lower taxation, greater buying power and the stabilization of retail selling conditions, with allowance for some of the newer developments of recent years, will come increased confidence and better conditions in merchandising. In the meantime, the thousands of retail merchants who are selling good merchandise at fair prices and are not paying too much attention to the "bargains" in poorer class merchandise being offered across the street are increasing their business and strengthening their position.

EDITORIAL NOTES

A BIG straw crop will provide plenty of raw material for pre-election votes.

* * *

A TORONTO business man prophesies a reaction against golf. Probably he had just gone around in 110.

* * *

OUT of 44 bankers who inspected the Dominion Experimental Station at Fredericton the other day, 14 were born on farms. Who can say that Canadian banking is out of touch with agriculture?

* * *

INSURANCE figures show the wonders of science, which has reduced child deaths only to provide man with automobiles, jazz band instruments and other mechanical devices to hasten his death when he grows up.

* * *

THE designing promoter picks his victims without sympathy. The Mutual Life of Canada found that promoters were using their lists of beneficiaries to sell their tinselled wares and have had to stop publishing such names.

* * *

TORONTO city now wants to close down a part of the losing line of interurban railway it bought about three years ago. The deficits were apparent before the line was bought, but what's a deficit or two when public ownership is to be upheld.

Beatty Thinks Biggest Job is Public Relations

With the Government in Direct Opposition to Its Biggest Tax-Payer, Problems of C. P. R. Head Have Been Important

That E. W. Beatty was never ambitious to head the Canadian Pacific Railway and had no inkling in advance that Lord Shaughnessy had picked him as his successor as president of the C. P. R. are two interesting points revealed by John Nelson in a sketch of Mr. Beatty in MacLean's Magazine.

"It has sometimes been said that I had the ambition to climb to the top," he declares, "but as a matter of fact it was not so. I simply went on from day to day doing my work just as well as I knew how, and accepting whatever duties came with them. If a boy does his work faithfully, he will not be neglected or overlooked by those for whom he is working. They know."

Mr. Nelson once asked Mr. Beatty if he was ever made conscious by Lord Shaughnessy that the old chief had him in mind for the succession. "Not in the slightest," he answered. "He talked to others of it, and they have since told me. But he himself did not do so."

The Two Great Systems

In Canada there is the most puzzling situation in the history of railroading. The greatest privately-owned transportation system in the world is ranged against a state-owned road of over twenty thousand miles extent, with credits underwritten and deficits paid by the nation. The personality of the young and watchful chief of the privately-owned railroad must have a deep interest and significance to every taxpayer in the land, since no one believes that this peculiar railroad situation can continue indefinitely.

Such is the reason advanced by John Nelson for attempting to describe the real E. W. Beatty. Beatty came into the C. P. R. presidency just when this situation developed.

It was fortunate for Beatty that the grosser tasks had been performed when he took the helm in 1918. For he was suddenly projected into a condition which has faced no other railway executive in the world, one where, without the guidance of previous experience by any other system, he was forced to find and chart his own course. The previous year the government of Canada had been obliged to take over the first of several railway systems, and were already involuntarily launched into a great nation-owned transcontinental railway line in competition with the C. P. R. The war was still raging, and the latter road was advancing tens of millions of dollars to aid the Allies. At the same time, as the heaviest taxpayer in Canada, it was providing the largest quota of money to establish the credit of its new competitor.

"My big problem was our relations with the public," was Mr. Beatty's instant answer when asked a question. "Those relations grew out of the new railway situation in Canada. The government took over part of its new system in 1917. I came to office in 1918, and my work opened concurrently with this new era.

"In the old days," he added, "all railway companies were of the same origin, of the same form of administration, and had identical problems. The roads wers operated as public utilities, but in the form of private enterprises. Those who were wise put service to the public above other considerations. Those who were not, put private interest first and more or less earned for all companies the reputation of being indifferent to the public interest.

"Generally speaking, when I took office we had reached a phase of evolution brought about by the necessity for greater harmony between the customers of the companies, and the companies themselves. This made railway executives realize that their difficulties and problems could not be appreciated unless explained, and that public support was absolutely essential if they were to be successful.

"The particular problem of the C. P. R. in 1917 was the fact that the government itself was forced to initiate policies which had for their end the projection of government into the railway situation as owners and operators of a huge system. Thus the C. P. R. came suddenly into juxtaposition and competition with its own government.

"And the position was aggravated by the fact that by financial support from the government, the C. P. R.'s competitor got into a much better physical condition to compete with it."

While there should, fundamentally, be no difference in principle between the operation of a private and a public-owned railway, there are incidental differences due to the difference in shareholders. Mr. Beatty phrases it like this:

"The problem of government-owned railways has more aspects than that of a privately-owned system, even a huge one like ours.

"Government roads have a public and political significance. They represent government policies, and are, therefore, matters of political support or political opposition. There is more propaganda with a government road. It is bound to be more affected by sentimental and patriotic considerations. It doesn't have to guard its credit, for its credit is merged with that of the nation itself. But the success of government ownership" (and here Mr. Beatty was careful to insert parenthetically, "if it ever succeeded") "has been due to the adoption of the same methods of administration, the same ambition to be of service, and the same expectation to receive the rewards of that service, that a privately-owned institution does."

In that brief outline, Mr. Beatty hints at some of the perplexing situations in which, for eight years, he and his officers have been placed by the unprecedented railway situation which has been created in the Dominion by a period of inflation in railway construction, and the disastrous results which followed.

Player in a Giant's Game

"E. W. Beatty is engaged in one of the biggest games on earth—a game played on three continents and on seven seas, in which the stakes are millions, great corporations the players, and the whole world on the grandstand. On that great checkerboard trains are moved on 20,000 miles of track, messages despatched on 12,000 miles of wire, and thirty-three ships ply the oceans of the globe. It is a gruelling game, calling for the last pound of energy and the utmost skill and judgment on the part of those who direct it. That is why the president of the Canadian Pacific Railway keeps himself as scrupulously in condition as though he was still playing half-back for Varsity as he used to do.

"When he stands on the floor he instinctively poises on a pair of nimble and well-balanced feet. There is just a suggestion of the pugilist's crouch and of the fighter's watchful glance in the level eyes. No superfluous flesh; every sinew like coiled steel. Simple living, abstemious habits, Spartan self-control—all play their part in the rigid discipline to which he subjects himself. So, in perfect command of himself, he exerts easy control over his great staff. 'Just and generous' is the way they speak of him. 'I have been with him nearly twenty years,' said one, 'and I have never seen him ruffled.' He has cares that would often justify testiness, and would drive some men to distraction, but he is always equable, always good-tempered. He never 'takes it out' on the staff. Temper, as well as physique, is trained to championship form."

—John Nelson.

NOT PERFECT BUT A GOOD SYSTEM

Sydney Record: Vice-President Platt, of the United States Federal Reserve Board, discussing the failure of so many banks in the United States in the past year or two, says that "the only remedy left is branch banking." Canada has the branch banking system; Uncle Sam has not, and between January and May of the current year no less than 274 of the American banks, each a separate organization, went to the wall; and in most cases, no doubt, the banks that failed carried business firms or companies down with them. The Canadian banking system is not yet perfect, as some unfortunate events of the recent past have testified, but it is a question whether it is not more nearly perfect than the American system. An increasing number of Americans think it is, anyway.

Miles of Private Wires Cover Canada

* * * *

Providing Nerve System for Finance

"PRIVATE wire to the Montreal, Toronto and New York stock exchanges," read the bulletins on the doors of the brokerage houses. An investor walks into one of these offices; says, "Buy me fifty C. P. R.," and before he has had a chance to tell all his friends in the customers' room just how he made 84 at the Fairway Golf Links, one of the partners comes over to tell him that his order was filled satisfactorily and to announce the price he paid. He may have been 500, 1,000, or even 3,000 miles from the stock exchange floor; yet his order was taken and filled and reported back to him in little more time than it would have taken for him to walk to the telegraph office down the street and send a wire of instructions to Montreal, Toronto, or New York.

Private wires are the great unseen arteries of communication that make possible the modern investment business. They exist, but the public is hardly aware that they exist; even that portion of the public that is directly served by them: In fact, it is doubtful if it is a very good advertisement for a stock or bond house, or grain house. to talk about its private wire service, for the general public, including investors, do not quite appreciate what is involved in a private wire service—the expense the speed, and the privacy, which are their chief characteristics, their importance ranking in about the order named.

Usually Use Telegraphs

Private wires, as used by the stock exchange companies, are usually telegraph wires. A stock brokerage house in Montreal will lease from the telephone company a wire connecting its telephone switchboard with a telephone on the very floor of the stock exchange that gives it direct and speedy opportunity for one of the members of the firm in the main office to give a message or take a message from the particular member of the firm who acts for it on the floor. But when it is a question of linking up two or three branch offices in distant cities or in providing a connection with a New York correspondent firm or with the Chicago or Winnipeg grain exchanges, it is usually a telegraph wire that is leased to carry the messages, although the Bell Telephone Company leases wires for telegraph messages that are used simultaneously with their use for long distance calls.

The wires are leased from the established telegraph companies—the Canadian National, the Canadian Pacific, the Postal Telegraph, Western Union, being the leading companies in the field. These companies cover the continent with an intricate network of wires, many of which are used entirely for their own purposes in the transmission of their own telegraph messages and others of which are available for lease to financial or business houses.

Usually wires are leased for a certain period of the day, and nine or twelve hours a day is the usual period during which the wire becomes virtually the property of the leasing company to use as it pleases so long as it adheres to the established practice in transmission of messages and does not throw a monkey wrench in the whole machinery of telegraph operations by mishandling of the wire.

Means Rapid Communication

With such a wire under its control, linking up the cities it wants connection with, a stock exchange firm can put a telegraph operator at any point where it has an office or a correspondent, and thus have practically instantaneous connection between its various offices.

The Winnipeg branch office of a stock brokerage firm can get buying and selling orders or queries for information to its Montreal or Toronto offices, or to its American correspondents as rapidly as the telegraph operator can handle the key, and it can get a reply back at once. Of course, if there are several offices on the wire, and the circuit is rigged for any single messages, the Winnipeg order to buy Ogilvie common has to wait a few minutes for the Toronto operator's message that it is rumored that General Motors and Canadian Canners are going to merge. In any event, the service is always much more speedy than could possibly be given in by the use of ordinary telegraph messages. Speed is the essence of the service, and is indeed a prime necessity in the investment business when a few minutes on the stock exchange on a critical day may mean upswings or downswings aggregating millions in market value.

Speed is more important than the saving in expense compared with the cost of other methods of communication, for there are many firms utilizing private wires who could save money by putting through individual messages, and paying the usual toll on each.

Private wires are not by any means inexpensive. The standard charge is $20 per mile per annum for each mile of wire. This is the minimum charge and does not provide for joint use of the wire by a number of houses; in such an instance the charge is higher. It is 330 miles from Montreal to Toronto by telegraph wire, and a wire between the Toronto and Montreal offices of a firm costs $6,600 a year for toll charges alone. To this would have to be added the salary of a telegraph operator at each end which, with incidentals, would bring the charge close to $12,000 a year, or $250 a week.

This, however, is not a high charge compared to that paid by a number of Canadian firms operating their own private wire systems. One brokerage house links Halifax, St. John, Montreal, Toronto, Winnipeg, Chicago and New York, at enormous expense. Another links an equally large number of cities. Investment houses that do not deal on the stock exchange have established similar systems in some cases, and the banks are beginning to use private wires for exchange transactions.

The Union Bank System

The Union Bank of Canada, which was recently absorbed by the Royal Bank of Canada, operated a private wire system for some time, linking Winnipeg, Toronto, and New York. The wire was used almost entirely for foreign exchange transactions and cost the bank about $60,000 a year, until the economy campaign instituted at the time of the shake up in capitalization and staff forced the discontinuance of the service.

In order to meet the expense of the private wire services, a number of firms in different localities often join together to lease a wire. There is one wire between Toronto and Montreal with no less than eight firms on it, and the only reason the wire is not crowded beyond capacity is that the firms using it are comparatively small and the sum total of their transactions and messages is not as great as the operations of a single large firm that would require a wire for itself alone. On the other hand, there is one wire between Winnipeg and Seattle that has only one intermediate connection, and that at Vancouver.

Business Houses Have Them

Stock brokerage houses, investment bankers, and the banks, use private wires extensively. Other business institutions are coming into the field. Grain brokers and millers operate their own wires. In the case of telephone wires, the habit of stringing a short line between the head office of a company in one city and the factory in another is in vogue. One Montreal company operates a private telephone wire with its head office as the local point, Ottawa at one end and New York at the other. An Ontario company had until recently a private telephone wire connecting its factory with the sales office in Toronto. There are a few longer private telephone wires. A Toronto broker can talk with his New York office simply by lifting the receiver from the hook on his telephone. He is connected direct with the New York office switchboard.

Private wires are the nerve system of modern stock and grain trading. They are expensive. but have proven their economic worth.

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Australia occupies a place similar to the Dominion of Canada in the British Empire. In resources, production, etc., there are many features strikingly similar to those of the Dominion. The present population is estimated at 5,900,000.

The natural wealth of Australia in 1921 was $13,946,000,000, or $2,363 per capita.

The ordinary revenues in the year ended June 30th, 1925, amounted to $334,800,000 and its ordinary expenditures to $325,200,000, resulting in a surplus of $9,600,000.

In the year ended June 30th, 1925, exports amounted to $815,000,000 and imports to $770,000,000, the excess of exports being $45,000,000.

Price 99½ and Interest, yielding over 5%.

To those desiring to diversify their lists of conservative investments, we recommend these bonds.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Mexican Power

R. M., Montreal.—Could you help me out by giving me your opinion on the investment value of Mexican Northern Power bonds?

The Northern Mexico Power and Development enjoyed very good business last year. The net income amounted to $364,842, an increase of more than $71,000 or 24.4 per cent. over 1923. The total power distributed during the year was 10,775 h.p., being an increase over the previous year of 2,475 h.p., or 29.8 per cent. This increase was due mainly to power sales over the new lines of the Chihuahua, which were completed and placed in operation by the 22nd May. By the end of the year the company was distributing over these lines an average of about 2,000 h.p. The full effect of this extension will not be reflected in the earnings of the company before the end of 1925, by which time it is expected that power sales will show a substantial increase.

During the year, net charges to capital account amounted to $178,283, chiefly on account of completion of the Chihuahua extension. $3,000,000 of bonds were sold during the year, the proceeds from these being applied to the cost of extensions above referred to.

During 1924 the company was able to wipe off two years of arrears, 1920-1, on the preferred shares, a total of $420,000.

The outlook for these bonds is, therefore, considerably better.

Dodge Bros. Preferred

McGill Coll. Ave., Montreal.—What is your opinion on the investment value of, and prospects for, Dodge Bros. preferred?

Dodge Bros. preferred and class "A" common were listed in Toronto recently. The preferred are 7 per cent. cumulative, with 850,000 issued, and 1924 earnings were equal to $21 a share, after all charges, including interest on the 6 per cent. debentures. There are 1,500,000 class "A" common shares issued. The New York Stock Exchange current quotations show a market value of about $80 for the preferred and $22 for the common. Preliminary figures for May earnings for the company showed a 40 per cent. increase over May, 1924. The second quarter of the year is expected to be better than the first, which was materially over that of 1924. Net earnings were $6,291,544 before deducting federal income tax but not including $644,633 profit from the sale of real estate. These earnings were 177 per cent. of net income for the first quarter of 1924 and exceeded by more than 39 per cent. the earnings of any corresponding period of any other year since 1920.

Indications appear to justify the expectation of the company that its earnings for the year will be larger than those of any other single unit in the automobile industry, with the exception of the Ford Co. Its sales in Canada, where Dodge Bros., Inc., have their own assembling plant, rank among the four greatest of all automobile companies operating in the Dominion.

Quebec Rand

H. M., Montreal.—Can you tell me if Quebec Rand is a good speculation and also if much work is being done?

The Quebec Rand Mines own something over 500 acres in Rouyn township. This company has not yet developed a mine, but it owns properties which are said to be well located.

Work first commenced on the properties last August, and drifting and trenching was continued throughout the winter. It is understood that the management plans to do some diamond drilling on the properties shortly.

The head office of the company has been transferred to Hull, probably due to the fact that the Edwards interests own the control in the company.

Dominion Alloy Steel

P. P., Ontario.—What is the present condition of Dominion Alloy Steel Corporation? Are they in production? What seem to be the prospects for the company?

Dominion Alloy Steel Corporation is making progress that must be regarded as satisfactory, although the company is yet a long way from the dividend stage. At the present time, the directors are operating along conservative lines to build up a complete steel plant, a process necessarily expensive and lengthy.

On July 8, the first production unit was put into operation. It consisted of a galvanizing plant that is now producing at the rate of about 1,500 tons a month, all of which is being marketed at satisfactory prices. There are substantial orders ahead, enough to run the plant about two months.

Work is proceeding on a sheet mill which should be completed in October, and when the sheet mill is finished a bar mill will be erected and finally open hearths. The galvanizing plant is only a small part of the projected mill but it is at least a start and as it is more than paying its way it is a satisfying start.

The company has funds in hand to finance work in progress and planned. Stock is now being sold to pay for the bar mill. The price of par for the 8 per cent. preferred with a bonus of 50 per cent. common is being continued. About a million and a half of the company's authorized capitalization of $7,500,000 of preferred stock has been issued.

With the present management there is a good chance for success for the company but shareholders must be prepared to back the directors with patience.

Steel Common

Reader, Montreal.—Would you kindly give me your opinion on the investment value of Steel Company of Canada common shares?

Despite the difficulties under which this company has been operating, their shares are well regarded and have been recently heavily traded in, that is, within the past two or three months. It has been selling at price levels which gives it one of the highest yields on the board despite conditions. At the end of 1923 the company had a net working capital amounting to more than 11¼ millions, which is nearly equal to the combined amount of bonds and preferred stock outstanding, which leaves the company with a high book value. The career of this company is justifying the same administrative methods which have placed the company in such a strong position. The stock has been selling far out of line with many less worthy issues.

Gotfredson Trend

J. S., British Columbia.—As a subscriber to your valuable paper, which I can not too highly praise, I would like advice regarding Gotfredson Corporation common stock, yielding 8 per cent. Is it a reasonably safe buy? What do you think will be the price of the shares when they are listed on the exchange?

Gotfredson Corporation has already established itself as a going concern, operating on a successful basis, and the new issue of common stock may be regarded as a reasonably satisfactory business man's investment. The yield is not eight per cent. as you state, but six per cent., since the stock is being sold at $25 a share and dividends are being paid at the rate of $1.50 per share per annum. Earnings are higher than this, being estimated for the current year at approximately $2.50 a share.

The price the stock will reach on the stock exchange will depend at first upon the degree of distribution that has been gotten for these shares. If the issue is fully sold to a wide list of investors, there should not be undue offerings of stock when it is first listed, and a price level will then be found commensurate with any intrinsic merit in the security. Fortunately, the houses bringing out the issue are well established.

Leaders See Need for Reduction in Tax Bills

(Continued from page 1)

United States and elsewhere. In my opinion, not only should the taxes referred to be reduced, but a way should be found by all public authorities to lower the taxes of all kinds which are handicapping business. We cannot afford to delay action in this matter."

W. G. GOODERHAM,
President, the Bank of Toronto; President, Canada Permanent Mortgage Corporation

"It has been said that this is Canada's Century, and if the country is given a fair chance we have no doubt it will be.

"We believe it is essential, however, to stop spending money on capital account for a time, except for purposes immediately necessary, and as far as possible immediately productive.

"Our debt obligations, government and municipal, have been estimated at over four billion dollars, and the total is rolling up year by year, entirely out of line with the increase in population. The result is apparent in continued high living and operating costs and small profits in nearly all lines of business, including farming. If it goes on the predictions of the pessimists may yet be justified. It is true that the bulk of our public obligations are held at home, but too much is often made of this fact. Wherever our securities may be, interest and sinking funds must be earned if the credit of the country is to be maintained."

J. H. GUNDY,
Wood, Gundy and Company

"The average council, provincial government, or, in some cases, the Dominion government, think nothing of spending our money, and take little interest in the burdens that they pile up on the people, while we, who are trying to build up an estate, have the extra mortgage placed upon it by people who quite often have no interest whatever in it.

"It is time that the people of Canada take a greater interest in the affairs of the country.

"It is too bad that we have not already taken steps to bring about more economic conditions in our government."

SIR JOSEPH FLAVELLE,
Chairman, Canadian Bank of Commerce; President, National Trust Company; Chairman, Simpson's, Limited

"It has now become almost trite to say at annual meetings that taxation is one of Canada's most pressing problems. Everyone feels its burdens. A great responsibility rests upon us all in Canada to co-operate and to support the cutting down of all public expenditure to the barest needs of the country. We often plume ourselves when we hear of the successful flotation of securities by one of our governments or municipalities. And yet it seems to me if during recent years it had been less easy for us to float our securities abroad we would have been forced to greater economy, and consequently lower taxation would have ensued.

"We naturally feel a justifiable pride in the standing of Canadian credit abroad, but, on the other hand, we must discontinue the piling up of indebtedness if we are to avoid trouble.

"But even with expenditures reduced to the minimum there will still be a heavy burden of taxes to carry, so that we shall also need to expand the volume of business in Canada before our country shall have fully compassed the burden. Our people must unite in finding some constructive method of accomplishing this."

THE LATE SIR AUGUSTUS NANTON
Formerly President, the Dominion Bank of Canada

"To my mind there are several salient points which need to be carried out in order to bring general prosperity to Canada.

"Taxation, through strict economy of our governments, must be cut down, so that the taxes in Canada at least do not exceed those levied in the United States.

"'The present heavy taxation, which falls chiefly upon the rich, has stifled enterprise, and therefore reacts on the rank and file, who are eventually the chief sufferers."

SIR JOHN AIRD,
President, Canadian Bank of Commerce

"There is little reasonable doubt that efficient production within the sphere of any individual business is the most effective contribution that it can make towards the cure of unemployment, but efficient production as a whole includes processes of individual industries. It embraces the numerous services, such as transportation and finance, which go to make up the modern mercantile world. Not the least important of these services is the provision of the necessary capital to provide improved technical equipment, or to keep existing equipment in balance, to which reference has just been made.

"If this is prevented by unwise taxation, or by any other cause, the motive power of industry is weakened.

"And only as production becomes increasedly efficient in the manner thus pointed out, can a higher standard of living be permanently possible.

"In referring to the burden laid on industry by taxation I do not wish to be regarded as overlooking the fact that the heavy load of national debt incurred as a result of the war, and the increased cost of services of all kinds, render it necessary for governments to raise much larger sums by way of taxation than before the war. But I am convinced that all needful requirements could be met and the burden on industry immensely lightened, if more consideration were given to the manner and effects of taxation. Our taxing systems require consideration from the point of view of the cost of collecting, including in this not only the cost of administration paid by the government raising the revenue, but the cost of the accounting and labor involved on the part of the taxpayer. Undoubtedly we shall suffer by the handicap of the higher level of income tax in this country as compared with the United States since the reductions recently made in that country. We learn on good authority that the United States government has reduced its expenditures from $6,482,000,000 for the fiscal year ending June, 1920, to $3,506,000,000 for the year ending June, 1924, and yet it has decreased its debt from $250.36 per capita, the peak reached in August, 1919, to $188.59 per capita as on 30th June last.

"In this connection we must remember that the United States was engaged in the war for a year and a half only, and that in consequence her war expenditure was, in proportion to her resources, much lower than that of Canada, which was an active participant in the war from the beginning. The subject of taxation is a very wide one and can be considered from many angles, but it is patent that there is a pressing necessity for a simplification of taxation that will prevent overlapping, and will cut down the volume of clerical work necessitated, not by business, but by the requirements of present tax-collecting methods. At the recent Canadian Tax Conference a situation was disclosed in which one industry with branches throughout the Dominion had to comply with the intricacies of 33 different tax enactments, all continually in a state of change, and another found that it had filed 62 different official returns for taxing purposes within a year. I am referring to all taxation, Dominion, provincial and municipal. These matters are of vital importance to business in this country, for they affect our capacity to compete in the markets of the world, especially in these days of slim margins of profit.

"I make no apology for specially referring to this state of affairs, for it is one that has also a very considerable bearing on the business of the banks, which have been hard hit of recent years in a similar manner. Nor is that all. We have a record of one provincial tax on banks, which in the last five years has been increased by 191 per cent. and which is overlapped in the same province by a corresponding municipal tax. According to a Toronto financial paper, the taxbill of the Canadian banks in 1922 was over $6,500,000."

J. A. McLEOD,
General Manager, the Bank of Nova Scotia

"Last year onerous taxation was pressing upon industry in Canada. There has been no improvement in this situation during the year and if business is to be revived some relief from the burden of taxation will have to be given.

"There should be such economy in all departments of government as will permit of some reduction of taxes, in order to encourage the business man to go ahead with new projects in the expectation that he, and not the tax collector, will reap the whole benefit of his industry.

"The British and United States governments have already made substantial tax reductions, but the tendency of Canadian taxes has been steadily upward. If we are to maintain and develop our foreign trade, our producers and exporters must not be handicapped by a heavier scale of taxation than applies to their competitors in other countries."

J. W. HAMILTON,
Former General Manager, Union Bank of Canada

"The greatest need of the country is a reduction in the cost of government. With a national debt which still, notwithstanding reductions, amounts to over $2,410,000,000 on Nov. 30 last, with the annual cost of Federal government, including railway deficits, in excess of $400,000,000, and that of provincial governments adding a further substantial sum, resulting in an annual exaction of well over $100 from each inhabitant for the maintenance of government in its various forms, a rigid economy in public expenditure can do more to remedy the economic ills of this country than anything else.

"Taxation in this country has reached the point of oppression. It has become more than a problem; it is a menace.

"There must be a stern facing of economic fact on the part of governments and the application of administrative surgery in order to reduce the burden of taxation and relieve business of some of the handicaps under which trade is at present languishing."

ARTHUR M. HATCH,
Former President, Canadian Manufacturers' Association; President, Stanley Works of Canada

"Taxes in Canada are so heavy that they constitute a great burden on productive enterprises and on consumers.

The total gross production of Canada for the last year for which official statistics are available was $4,487,785. This includes agricultural, industrial and all other forms of production. The total net production was $2,728,906,285. During the same year the total taxes collected by the Dominion, provincial and municipal governments of Canada amounted to $627,902,769. Consequently in that year the Dominion, provincial and municipal taxes took one quarter of the value of the net production and about one-seventh of the value of the gross production of this country.

"Canada is over-governed and under populated,—a costly combination.

"Political candidates are frequently elected by promising huge expenditures of public money, which, although giving a temporary stimulus to business, bequeath a staggering legacy of debt.

"In considering expenditures all governments should realize that taxpayers cannot endure additional obligations and should be relieved gradually of part of the immense burden they are carrying."

W. R. ALLAN,
Former President, Union Bank of Canada

"Taxation in Canada requires anxious thought. Federal and municipal taxes with, in some cases, provincial additions, have become so onerous as to stifle business and discourage effort. The total taxes paid by this bank in the past year amounted to $441,497.77. It is to be noted that for this reason and in these circumstances it is only natural that great caution will be observed by banks in declaring profits. That might as well be frankly stated."

J. H. FORTIER,
President Canadian Manufacturers' Association; Vice-President P. T. Legaré Limitée

"Potentially, we may still be one of the wealthiest people on earth, but actually we are certainly one of the most keenly taxed and it seems to be in vain that the bleeding process goes on year after year. There are no reductions of national debt and no reductions of taxation. Farmers and manufacturers have lived up to the motto of economy. Both have reduced the cost of production as much as it was in their power to do. But a time comes when the cost of doing business and the cost of tilling the soil is too high. No relief comes from government circles when the waste continues to go on forever, with deficits accumulating and the interest on the national debt going up all the time.

"We are told that the Canadian credit is good. Yes, you bet it is, as is the credit of the prodigal as long as he has property to mortgage.

"But how can the burden of taxation be lightened? There is first the practice of economy by the government. Only in the operation of railways a high official admitted recently that there was a way to wipe out the annual deficit. How long shall we have to wait to see such a reform realized. Then there is at least one possible change of taxes.

"Supposing that the sales tax is abolished and the rates of the customs tariff raised, what would be the result? The people would save 5 per cent. on their purchases as long as they buy Canadian products, and those who buy imported goods, that is the richer classes, would pay more federal revenue. You see at once that such a change would help the humble class and stimulate the domestic trade in national products.

"There is no excuse to overlook these suggestions when it is known that taxes are paid out of savings accumulated by industry, thrift and self-denial of the producers."

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Poor Men's Fortunes

A PERSON of moderate income will earn anywhere from $100,000 to $200,000 in the course of an average lifetime. If he starts work at 20 at $20 a week and works through to 65 with gradual increases in earning power up to $2,500 a year or so, his total earnings will be between those figures, and if he is more successful and gets up a little higher in the thousands he may conceivably cash half a million dollars of his own pay cheques in his lifetime.

There are big fortunes hidden in incomes of modest size. It is possible for every man to build an invested fortune for himself, and he has only to sit down with a pencil and a sheet of paper to figure out how much money he has available as a source of savings. While it is possible, it is not easy for many men to save money. But the knowledge that it can be done, and is being done by hundreds of people who have given their personal financing the magic touch of system, should give incentive to saving.

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LORD ATHOLSTAN MAY RELINQUISH MONTREAL "STAR"

Syndicate Headed by J. W. McConnell Said to Have Purchased Paper

From Our Own Correspondent.

MONTREAL. — Will Montrealers, and indeed many others as well, no longer be stirred up by the fierce tirades of the Montreal Star? Will Lord Atholstan no longer excite the country editor with his "whispers of death" and will Montreal "Power" shareholders no longer fear attacks on the company by the paper? Will the Conservative party no longer be on the qui vive wondering just when and how this virile journal will jump over the party traces? Alas, all this seems to be true, that is, if the rumors which have been flying around the clubs during the last few days be true!

The first story to go the rounds, where it received much credence, was to the effect that a syndicate headed by J. W. McConnell had purchased the paper from Lord Atholstan and that the actual title to the property would be transferred at his death to the new owners. In the meantime, Atholstan would continue to operate the paper subject only to certain restrictions as to policies.

As soon as this story had circulated amongst the few, other tales immediately became current which included both Frank P. Jones and Lord Beaverbrook in the purchasers' syndicate. This last is thought to be nothing more than idle chatter. The purchase price named in the deal is $4,000,000.

On hearing the rumor, your correspondent immediately called at the office of J. W. McConnell, where Mr. McConnell sent out a message to the effect that Lord Atholstan would know more about it. Lord Atholstan definitely told The Financial Post that the paper had not been sold, but he did not deny, nor aver that negotiations leading to the purchase have taken place.

Those who are in a position to know state definitely that the paper has practically changed hands—probably not the actual signing of the necessary papers—but all the major details have now been settled and it is only a matter of time before the actual closing of the deal.

Is Deal Almost Complete?

The feeling in Montreal about the change in ownership is a little mixed, for while Atholstan made many enemies with his many and various attacks, yet at the same time, the paper has been responsible for considerable good work and Lord Atholstan's own personal philanthropy is generally recognized.

Many people feel that the Montreal Star was responsible for saddling the city with its late mayor, Mederic Martin, who reigned supreme in the city hall for many years. His authority was only checked when conditions became so intolerable that the provincial government intervened and appointed a commission of four to administer the affairs of the city over Martin's head.

Of course, during Martin's initial and successful campaign, the Star did not support him, but at the last minute, the paper supported a new and unknown third candidate, thereby splitting a vote which otherwise would have resulted in the election of George Washington Stephens. Anyway, the famous Mederic Martin was elected that year, and for many ensuing years, until finally, the city got so tired of him that a good man, Charles Duquette, was elected. He is the chief magistrate at the present time. After Martin's election it is said that the Star poured forth many crocodile tears.

There are many stories told of the paper—incidentally, it is probably the best edited evening daily in Canada. Atholstan never jumped merely because the party whip cracked—indeed it is said that the "party" were always nervous about his attitude. It is thought in some quarters, that, for the future, the paper will reflect more thoroughly Conservative thought on matters political.

Possibly the secret of Atholstan's power lies in the fact that no one ever knows, until his news appears in print, just which side he will back.

As yet, it is impossible to obtain any confirmation of the deal, but the fact that it will come about appears established.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING AUGUST 4

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Can. Car	6	1939	5.89	102½	99	103	102	102	—	101	—
Can. Cement	6	1929	5.16	103½	100	103¼	101	—	102½	103	102½
Mont. Tram.	5	1941	5.18	95½	91	98¼	93	—	—	97¼	—
Ogilvie	6	1932	5.14	104½	101½	105	104	105	—	105	—
Que. Rly.	5	1939	5.16	91	80	98	89¼	95	—	95	94½
Rio de Janeiro	5	1935	6.36	87	84	95½	82	91½	90	90	89¾
Riordon	6	1929	5.29	91½	73	102½	93½	—	—	102½	—
Wayagamack	6	1951	6.82	86	74	98¾	84¾	90	89	90	—
War Loan	5	1925	5.00	100.95	100.15	101.15	99.80	100.25	100.15	100.25	99.80
Do.	5	1931	4.61	102.45	100.60	102.65	101.00	102.30	102.15	102.35	102.05
Do.	5	1937	4.51	103.85	102.60	104.95	103.80	104.65	104.50	104.70	104.50
Victory Loan	5½	1927	4.31	103.05	102.05	103.15	102.05	102.40	102.25	102.30	102.05
Do.	5½	1933	4.59	100.70	100.30	107.00	105.65	106.05	—	106.10	105.65
Do.	5½	1934	5.08	104.70	102.85	104.75	103.20	103.90	103.80	103.95	103.50
Do.	5½	1937	4.52	108.90	106.15	110.00	108.45	109.00	108.85	109.00	108.75
Do. Renewal	5½	1927	4.70	102.70	101.10	102.95	101.20	101.70	—	101.80	101.20
Do. "	5½	1932	4.98	103.90	102.10	104.20	102.95	103.30	103.20	103.40	102.90
Do. Refund	5	1928	4.90	100.85	99.40	101.45	100.35	100.55	100.45	100.25	—
Do. "	5	1943	4.83	102.85	99.00	102.90	101.15	102.20	102.05	102.00	101.90
Do. "	4½	1944	4.74	97.15	97.00	97.35	95.05	97.00	96.85	97.35	97.05

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News of the Investment Market

BOND FINANCING IN JULY LOWEST FOR TWO YEARS

Prices Ease Somewhat in Anticipation of Federal Issue

The quietness which exists in the bond market at the moment may be due entirely to the mid-summer slackness which is seasonal, but there are indications that other factors may enter the situation. These are the influence of the New York market which has eased off slightly, the diversion of funds for grain shipment purposes, and the anticipation of Federal Government financing in the fall. Favoring the last of these factors is the small volume of offerings being made at the moment by the leading investment houses, as well as the fact that funds are still abundant, and the influence of the New York market is not usually so promptly felt. At any rate, prices have eased slightly, losing from one-half to three-quarters of a point.

Those issues that have come forward during the week are mostly small, but the prices have been relatively firm, and a considerable amount of competition existed in the bidding.

July financing in Canada has made the record of being the smallest for any single month since August, 1923, but the total of bond sales for the year to date is still ahead of that for the same period last year by the small margin of $4,338,835. The July total was $5,431,956. As contrasted with the situation in the United States where bond sales usually reach their peak in May or June, there is a decided falling off in the summer. If there can be said to be any peak in Canadian bond sales, it is nearer the turn of the year. The United States this year experienced the gradual falling off in the early summer months which is characteristic of Canadian sales. For the year to date the United States bond sales totalled $850,545,929 against $943,034,121 last year while this year so far Canadian sales were $245,955,923 against $241,617,088 for the first seven months of 1924. There is a gradual decline in the volume of financing in the United States, while the total in Canada is still on the increase, at least in the field of government and municipal financing. There has been something of a dearth of industrial financing this year.

Bond prices have weakened somewhat in the New York market. It is reported that banks all over the country have been reducing their holdings of bonds, especially corporation issues, in order to have funds for business needs and it is given as the opinion of the bankers that this presages better business in the fall. Some of the banks which have sold long-term bonds have been buying short term issues in order to keep their funds employed against the time when business expansion will require it. Sales of lots of $100,000 here and there mean substantial amounts in the aggregate to be absorbed by other investing institutions and individuals. Buying demand has not been equal to the volume of selling and the prices have weakened consequently.

QUEBEC TOWNS TO BORROW

QUEBEC.—A series of orders-in-council were signed yesterday allowing a number of municipalities to borrow as follows:

Verdun, $165,000; St. Hyacinthe $26,600; Massueville $12,000; St. John's $18,000; Strosc du Degele $16,000.

July Bond Sales

Bond sales for the month of July had the smallest total for any month since August, 1923, the total being $5,431,956, as against a total for June of $30,956,100. Following is a list of the sales by groups for the month and the total for the year so far by months:

Provincial	....
Municipal	$ 2,031,956
Corporation	3,400,000
	$ 5,431,956
Year to Date	
January	$ 44,943,771
February	78,182,253
March	19,147,618
April	50,365,045
May	16,929,180
June	30,956,100
July	5,431,956
	$245,955,923
Same period last year	$241,617,088

National Steel Car Gets Silk Car Order

The National Steel Car Co. has received an order from the C. P. R. for the construction of special cars for the transportation of silk. The new cars are unusual in construction, being specially designed to meet the requirements of the silk industry just as refrigerating or cattle cars are made to fill the demands of those services. The cars will be 45 feet long and approximately the same width as baggage cars.

At present, the National Steel Car Co. is busy constructing eleven tourist cars for the Canadian National Railways, but will begin work on the C. P. R. contract about the middle of August.

Tooke Brothers Report Will Show Improvement

From Our Own Correspondent.

MONTREAL. — For the past few weeks, Tooke Bros. has been operating a night shift at its plant, due to the large increase in rush orders which the company has received. The annual report is now being prepared and it is understood that earnings will be at about the same level as last year, and that the financial position has been improved. The report this year will cover a period of thirteen months operations; the fiscal year has been changed from the end of May to the end of June. The change was made in order to give a better opportunity to work off inventories.

Utility Holding Company Sells Preferred Shares

The interest of Canadian business in the issue of 25,000 shares of preferred stock of the International Utilities Corporation, sold this week, is not so much in the relatively small proportion of the shares that will be sold in Canada, but rather in the fact that some of the proceeds will be spent in Canada. Among the utilities controlled by the firm, which is a public utility holding company, controlling through stock ownership, or through contracts for the purchase of stock, a group of public utility properties in the United States and Canada. The Canadian concerns controlled are the Northwestern Utilities, Ltd., of Edmonton, and the Canadian Western Natural Gas, Light, Heat and Power Co., Ltd., of Calgary.

The shares of the International Utilities were sold by a syndicate composed of Chandler & Co., R. E. Wilsey & Co., and G. E. Barrett & Co. The stock is cumulative preferred of no par value, and carries with it dividends of $7 per share per annum. The price was $95, which represents a yield of 7.36 per cent. Each share of cumulative preferred will carry with it one stock purchase warrant for a share of International Utilities Class B stock at prices ranging from $10 to $20 per share.

Analysis of the corporation's report shows gross earnings of subsidiary companies for the first five months of the year amounting to $2,605,982, and net earnings available for dividends, federal taxation, depreciation, etc., amounting to $540,910. During the year ended May 31, the gross earnings of these subsidiaries amounted to $5,475,576, and net earnings $844,045. The balance for the year is equivalent to 4.8 times annual dividend requirements.

Eddy's Close Four Days; Poor Newsprint Market

From Our Own Correspondent.

MONTREAL.—Some indication of the condition of the newsprint market may be judged by the fact that last week the newsprint mill, known as "B" mill, together with the sulphite groundwood pulp mill of the E. B. Eddy Company closed down for four days.

The reason given for the temporary closing was the falling off in the demand for newsprint. However, orders sufficient to guarantee work for the remainder of the year have been received by the company; owing to the fact that the various papers do not wish to receive their shipments until the date on which they will be needed, it was considered by the executives that the best course to follow would be to close down for a few days.

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Contracts have been entered into for a period of years with various users, including the Canadian Paperboard Company at Frankford and at Campbellford, for power at prices which, together with earnings from smaller customers, including the Frankford Electric Light Company, will show earnings, after operating charges and sinking fund, sufficient to pay the bond interest more than twice over.

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WEST IS HOLDING MUNICIPAL DEBTS DOWN TO MINIMUM

Small Increase in Cities But Rural Debts Show Decline

An interesting and valuable study of local government taxation in the three prairie provinces has just been made by Geo. D. Mackie, city commissioner of Moose Jaw, Saskatchewan. According to Mr. Mackie, the peak of taxation in all classes of municipalities, and both for municipal and education purposes, was reached in 1921, except in the case of education in cities, and since that time a reduction has been possible.

According to the figures made public by the premier of Saskatchewan in his last budget speech, the total taxes levied for municipal purposes in the urban centres of the province in 1916 was $4,239,664, as compared with $5,720.591 in 1921, and with $5,059,983 in 1923. The increase in 1923 over 1916 was 19 per cent., while the increase in population during the period was 33 per cent. In the rural municipalities alone there was an increase of 49 per cent., while the population increase was only 25 per cent. The details on a per capita basis follow:

Municipal Tax Levies per Capita

	1916	1921	1923
Cities	$35.70	$36.09	$29.58
Towns	19.43	24.40	20.03
Villages	9.10	11.65	10.30
Urban	$24.06	$26.12	$21.54
Rural	8.61	15.06	10.27
Total (Sask.)	$12.81	$18.26	$13.48

Turning now to the municipal debt of the various local governing bodies, we find that the net debt (i.e., the gross debt less Sinking Fund), of all the municipalities has increased only $815,911, or a little over 2% in the eight years 1916-1923. The details follow:

Net Municipal Debt

	1916	1923
Cities	$26,621,365	$27,522,726
Towns	5,798,882	6,067,581
Villages	671,420	373,112
Urban	$33,091,667	$33,963,419
Rural	1,244,230	1,224,389
Total (Sask.)	$34,335,897	$35,187,808

The gross debt in 1916 was $38,714,284, as compared with $42,511,047 in 1923, or an increase of 9.8%.

It will thus be seen that all our local governing bodies have been seized of the fact that during the past years of resettlement and readjustment, capital expenditures were inadvisable, and while small increases in the debenture debt have taken place in cities and towns, in villages and rural municipalities the net debt has been decreased in the period under review, and when viewed on a per capita basis the results are even more striking:

Net Municipal Debenture Debt per Capita

	1916	1921	1923
Cities	$333.00	$279.58	$265.12
Towns	117.30	98.90	92.60
Villages	14.34	7.67	5.70
Total Urban	$187.84	$155.50	$144.55
Total Rural	2.63	2.03	2.08
Total (Sask)	$ 53.00	$ 46.22	$ 42.74

When an attempt is made to compare municipal debts of municipalities of the three prairie provinces, difficulties are met on account of the varied methods of presenting the figures, but the following gross amounts may be taken as approximately correct:

	Alta.	Sask.	Man.
Cities	$404.38	$348.71	$321.06
Towns	67.30	99.11	83.73
Villages	3.66	6.20	9.77
Urban total	$284.66	$183.05	$281.30
Rural total	.21	2.27*	33.17
Grand total	$107.96	54.53*	$111.32

*If rural telephone debenture debt included *23.60 per capita for rurals and $69.70 total.

These figures show that Manitoba cities have the lowest per capita debt; in the town class Saskatchewan has the highest debt, and in villages and rural districts the lowest debts are in Alberta—but the average gross municipal debt per citizen is double that of Saskatchewan—both in Alberta and Manitoba.

INCREASE IN B. C. FISH

VICTORIA.—British Columbia's fisheries production shows a marketed value of $20,256,965 for 1924, an increase over the preceding year of $461,042, according to a report of the Department of Marine and Fisheries. The salmon fishery shows an increase in catch in 1924, over the previous year, of 450,394 cwt., and an increase in marketed value of $1,089,034. The total salmon catch amounted to 1,747,397 cwt., the largest in the history of the industry.

Besco's Ore Mines at Peak of Activity

British Empire Steel Corporation's iron mines at Belle Isle are now operating on the largest scale since the conclusion of the World War, employing 2,500 men, with an output of 1,250,000 tons, of which nearly 1,000,000 tons are being exported to Germany, the remainder being for the use of the company's own steel plant at Sydney, N.S.

Export shipments average a shipload daily, and all departments of the mine are fully staffed, except the "shovelers," the men who load small ore in the underground areas. The company recently gave these men a 10 per cent. advance in wages, finding it increasingly difficult to obtain men willing to undertake this strenuous form of labor. The company hopes to overcome this difficulty by installing additional machinery to perform many of the tasks now done by men, rather than adopt the alternative of importing alien labor, to which local sentiment is strongly opposed.

Work on the present scale is expected to continue until the middle of December, when the working forces will probably be cut in half for the winter months. This is much less than the period of closure during the five past winters, and it is hoped to avoid closing down altogether next winter.

RHODES' PROPOSALS HELPED BESCO STOCKS

Some Points Favorable to Shareholders in Plan for Ending Strike Deadlock

At first glance the proposals of Premier E. N. Rhodes of Nova Scotia for a settlement of the coal strike at the Besco collieries in Nova Scotia seem to present favorable points for the shareholders. Briefly, the company would get a wage reduction, not as great as it has felt that it needed, but at least a substantial reduction that would be supplemented by a remission of a portion of the coal royalties payable to the government. In addition, the proposals seem to offer an end to the check-off system under which union dues and other charges were deducted by the company from wages payable to the men. The company has sought to end this system, but has been balked by labor leaders who see in the check-off system their best system of maintaining complete mastery of every miner. There seems to be no doubt that the rank and file of the miners, given a secret ballot, would vote against the system.

Unfortunately the settlement of the strike, if it came now, would be too late to enable the company to make full summer shipments of coal to St. Lawrence ports.

The proposals of Premier Rhodes may be briefly summarized as follows:

1. An interim contract between the operators and men for a period of six months, pending a full inquiry into the coal industry of the province.
2. Terms of contract to be those of the 1924 contract.
3. Wages scale to be that of the 1922 contract, "which it is estimated is between six and eight per cent. below the scale of 1924."
4. Government to remit one-fifth of the coal royalties payable by the corporation for a period of one year from the date of the commencement of the proposed contract. This would amount to 2½ cents per ton on coal mined, remission of this amount to be "in consideration of the immediate resumption of work under the foregoing provisions."
5. Employment to be given to regular employees of the British Empire Steel Corporation before outside labor is engaged.
6. A secret ballot, under government supervision, "to determine whether the check-off be continued or not"—both sides to agree to abide by the result.
7. All controversial points not disposed of in the above proposals to be referred to the commission of inquiry which the government proposes to set up.

The market reacted moderately, but favorably to the suggestion of the Nova Scotia premier, all the Besco issues being up a point or so.

Municipal and Provincial Finance

DOUBLE TAXATION DAMS INFLOW OF FOREIGN CAPITAL

Urgent That Tax Bodies Consider the Adjustment Of This Evil

How to regulate or eliminate double taxation is one of the vital questions with which the various provinces, like the countries of the world, are faced at the present time. The endorsement by the International Chamber of Commerce of the plan of the financial committee of the League of Nations for the reform of double taxation has raised the question once more with all taxing bodies where the question of overlapping jurisdictions arises.

Although grossly unfair in thousands of cases, it is not this phase of the subject which is most pressing. In a sentence, double taxation is acting more and more as a deterrent to the foreign capitalist who might more readily lend his money were it not for this burden. In Canada there are nine tax jurisdictions in addition to the federal authority. This, apart entirely from the question of securities owned abroad, and there is a larger and larger volume of Canadian capital going to the United States despite the urgent need of Canada for capital. In other words, there are ten domestic jurisdictions, each imposing taxes on the estates of their particular residents within and without their jurisdiction, as well as upon the property of citizens of other provinces and of foreign countries. The foreign capitalist must take this into account when investing, for the taxes will not only attach a portion of his earnings during his lifetime, but, if the estate be widely distributed, there will be the "government vultures" seeking each to acquire a share of the estate under the guise of the inheritance tax. All this was not so big a factor when taxes were less important. Even a decade ago there was much less fear of taxes. But to-day, with the burden of war debts and the evil consequences of over-expansion during a better period, the investor is much more hesitant in the placing of his funds, and the investment trusts of Great Britain are carefully studying methods of evading this huge burden. and also investment opportunities in countries where no such duplication exists.

Succession Duties an Example

One of the best examples of the gross unfairness of this overlapping is found in inheritance taxes, or succession duties. There are different succession duties in the nine provinces, and very few of the provinces make any attempt to prevent duplication. Fortunately negotiations are now under way between the provinces of Ontario and Quebec whereby the tax paid by one will be deducted from the total tax payable in the province of residence of the payer. Many of the provinces have made reciprocity arrangements with Great Britain for the remission of a tax payable elsewhere. This is a start in the right direction, but there is yet much to be done.

An interesting experiment is being undertaken by the state of Florida in the abandonment of the Inheritance Tax for the expressed purpose of attracting capital and wealthy residents. It is stated that the loss occasioned by the government of Florida in the lack of an inheritance tax is many times made up for by the increase in the wealth of the state and the consequent ease in collecting sufficient revenue to carry on the government operations. It is interesting also that there is considerable agitation in the province of British Columbia for the abandonment of the succession duty. It is urged that the $700,000 realized annually from this source would be more than made up by the advantages resulting.

The question naturally arises—what alternative suggests itself? The alternative suggested by the financial committee of the League, above mentioned, is a cutting down of expenditures along certain lines at least until capital has a chance to become established. No one will doubt seriously but that the provinces of the Dominion would begin to expand immediately, and something of the conditions of the pre-war period of expansion would return, were we to cut down drastically upon various taxes, and concurrently, upon certain classes of expenditure. It cannot be said to be impossible since we have the example of the United States and also Great Britain.

In the specific problem of double taxation, it behoves the various tax authorities of the Dominion to pay immediate and serious attention to the question of what is keeping British capital out of Canada. A few months ago it was the exchange. To-day the exchange problem has righted itself and still there is little indication of any large flow of British capital into Canada. Will those provinces which succeed in adjusting the double taxation difficulty receive the largest share of British capital when the inflow recommences?

$400,000 Bond Issue Sold on New Building

Preliminary plans for the construction of a twelve-story office building at the corner of Bay and Temperance Streets, Toronto, have been in the course of development for some time and are now practically completed. The building, which is being financed by a newly formed company called the Three Hundred and Forty-Seven Bay Street Corporation, Ltd., will cost approximately half a million dollars and will be modern in every respect. The company comprises the same interests involved in the erection of the Federal Building, Richmond St., Toronto, viz., Yolles and Rotenberg.

The bond issue of $400,000 in the building has been underwritten by a Cleveland firm, Otis and Company, and the architects are Chapman and Oxley, who designed the Northern Ontario Building. Preliminary work is expected to commence in the course of a week.

Preliminary Work Begins on Pulp and Paper Project

MONTREAL. — The Anglo-Canadian Pulp and Paper Company is having the plans of its projected mill at Limoilou prepared. It is estimated that the new newsprint development involves an expenditure of some $15,000,000. Work on the site is expected to begin this month, and by the next spring, several hundred men will be employed on construction.

Frank W. Clarke, president of the Canadian Pulp and Paper Association, together with the Lord Rothermere interests of London, are behind the company and it is expected that the plant will begin production by the autumn of 1927.

Municipal Notes

NORTH BAY BECOMES CITY

The charter officially declaring North Bay to be a city was presented to Mayor McDonald on August 3, by Hon. Chas. McCrea, Minister of Mines in the Ontario government. The population is in the neighborhood of 12,000.

HAMILTON'S FINANCE COMMISSIONER

One of the new by-laws re-defining the duties of city officials provides for the appointment of Walter H. Davis as city finance commissioner. The by-law places Mr. Davis in complete control of city finances and adviser to the board of control in all financial matters.

ANOTHER MARITIMES HOTEL

Another good hotel for the Maritime Provinces is promised for Woodstock, N.B., by the new board which has taken over the Carlisle. The members of the board are mostly young and enterprising Woodstock residents, Maj. Winslow, J. S. Winslow, T. R. Teed, W. S. Sutton and E. W. Clark. The building is being entirely refitted. It will be ready by about the end of August. Tourists will be particularly catered to with facilities for golf, tennis, shooting and fishing.

HAMILTON'S FINANCIAL STANDING

The consolidated balance sheet of the city of Hamilton for the year ended December 31, 1924, shows total assets of $29,994,592. As against these assets there are civic liabilities amounting in all to $23,160,220, including $17,016,227.56 of a debenture debt, which, however, is reduced by sinking fund to $13,329,035.54. The debenture debt of the board of education is, less sinking fund, $3,747,650.22.

The net surplus of assets over liabilities is $6,834,371.51. This is about 30 per cent. It provides a fairly wide margin between the city and financial embarrassment.

This Week's Bond Sales

DUNDAS, STORMONT AND GLENGARRY BONDS

An issue of $100,000 twenty installment-five per cent. bonds of Dundas. Stormont and Glengarry were sold this week to Matthews and Company at a price of 99.83. Other bonds submitted were:

Worthington, Savage and Co.	99.76
Gairdner, Clarke	99.732
Municipal Bankers	99.67
Fry, Mills, Spence	99.59
McLeod, Young, Weir and Co.	99.56
C. H. Burgess and Co.	99.34
Bell, Gouinlock	99.25
Dyment, Anderson	99.17
Wood, Gundy	99.08
Macneill, Graham	99.07

LEAMINGTON BOND ISSUE

An issue of $47,229—5½ per cent., twenty instalment bonds of the Town of Leamington was sold to Housser, Wood and Company at a price of 103.09. Other bids were:

Gairdner, Clarke	102.732
McLeod, Young, Weir and Co.	102.58
Matthews and Co.	102.42
Bell, Gouinlock and Co.	102.41
Carruthers and Co.	102.38
Wood, Gundy	102.29
C. H. Burgess and Co.	102.23
Cochran, Hay and Co.	102.19
Harris, McKeen	102.11
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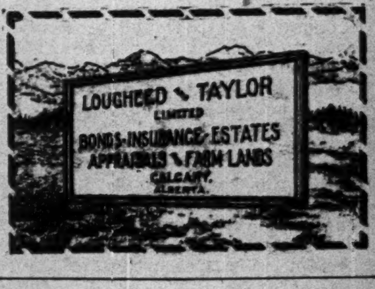

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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

MUNICIPAL

Place	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Leamington	July 31	Housser, Wood	5½%	Serial	$47,229	103.09	...
Dundas, Stormont & Glengarry	Aug. 3	Matthews & Co.	5%	Serial	100,000	99.83	....

Insurance for Buyer and Seller

COMPARING COST OF TWO POLICIES IS NOT SO EASY

Discussion of the Question of Cheap and Expensive Life Insurance

A question that often puzzles a man about the purchase of a life insurance is whether or not there is any actual difference in the cost of protection as issued by the different companies. Many life insurance agents make an important selling point of the particular economy of their own company. One of the English life insurance companies selling in Canada makes an appeal largely on the fact that its expense ratio is far below the average. Mutual companies claim less expensive life insurance on the grounds that no dividend has to be earned to be paid to shareholders. Some companies quote rates that are lower than the rates generally in vogue, and other companies state that the premium rate is no indication of the ultimate cost of the insurance protection, but that high dividend rates will eventually bring the cost of the insurance to well below the cost of policy in any other companies. Faced with such conflicting claims, it is difficult for the prospective buyer of life insurance to know just how to buy protection at the lowest cost.

Hard to be Definite

In truth, it is practically impossible to determine between any two policy propositions which one is the more economical. It would be almost as easy to forecast exactly how much a man has to pay for a sum that will be given to his beneficiaries. When he takes insurance he does not know whether he will live six months or 60 years; whether he will pay one year's premium or pay premiums for a life time, as a matter of fact that is why he takes life insurance. He cannot make the date of his death definite; therefore, he makes the protection to his beneficiaries definite and arranges for it to date from the time of his own passing.

This indefiniteness of life is the chief reason why policies at different rates and in different companies cannot be adequately compared on the basis of cost. To illustrate, here is a point of difference in the practice of estimating the reserves in different companies, that is a very important determining factor in the ultimate cost of life insurance. Some companies calculate the reserves on a basis of 3½ per cent. In other words, they assume that they are going to earn 3½ per cent. on the money taken in as premiums, and that that interest, when compounded, will provide a reserve large enough to meet all claims. Other companies will calculate their reserve on a 3 per cent. basis. A man taking a 20-payment life endowment policy is going to save some money at first in a 3½ per cent. company, but not for all the time his policy may be in force. The 3 per cent. company, when it begins to earn the additional dividends on its larger reserve, will overtake the other company.

Approximately, the man taking a 20-year endowment policy would do best in the 3½ per cent. company for the first ten years and better in the 3 per cent. company if he lived longer than that.

Some Determining Factors

The determining factors in the cost of insurance are the premium rate, the rate of interest earned by the company on its investments, the expense ratio. The latter two govern the size of the dividend which will be paid. The premium rate varies between different companies. The expense ratio also varies greatly and is likely to be higher in the case of a new company than in the case of an old-established company. The rate of interest returned depends upon the investment policy of the company. Some companies that specialize in Western Canada mortgages have a very high rate of return on their investment. On the other hand, they have weakened their security to some extent, in the opinion of the investment officers of other companies, anyway.

"Profits" and "Non-Par."

It is hardly more satisfactory to attempt to compare participating and non-participating policies on the question of cost. The non-participating policies certainly can be purchased at a lower rate of annual premium to start with. But experience has demonstrated that in the case of an individual who lives a good many years, the participating policies more than make up any additional expense involved at the start.

In insurance you get exactly what you pay for, and there does not seem to be any way to get a bargain in it. Any cheap insurance that is bought is likely to have some weakness in security, terms or benefits.

Life insurance has made a science of the law of averages, and, having done that, it has eliminated indefiniteness to a very large extent, but it has not been able to eliminate indefiniteness of death, which is, indeed, its chief reason for existence, and, therefore, it cannot eliminate the indefiniteness of the real cost of life insurance.

Average Man's Chance of Life, No Better Than in Other Times

Do people live longer to-day than formerly? The fact that the insurance companies have not found it advisable to adjust their rates on a greater expectation of life seems to deny the statement. Children have a better chance to live, but older people have not improved their chances.

The Mutual Life Assurance Company of Canada discusses the question in its current agency bulletin and says:

"The tables of the 'expectation of life' have been the cause of much confusion. Many believe the tables give the number of years one may reasonably expect to live. But the tables give no such information. They give the average number of years lived by the members of a large group. The general mortality table shows that there are so many years to be lived by the group and the total years are divided evenly among them. The expectation of life then is for the guidance of companies dealing with large numbers, not for the encouragement of individuals. Disease or accident may remove any one in spite of the tables of 'the expectation of life.'

"Regarding the 'expectation of life' in this way it is true that the 'span' of human life has materially lengthened as has been stated of late so frequently in the press?

"It has been said that the age of miracles is past but this would appear to be an error were we to credit many of the statements appearing in the magazines and newspapers in regard to the expectation of life. Owing to the improvement in sanitary conditions and the multiplication of preventive measures it has been claimed that the length of human life has been increased twelve years. Another authority claims as many as eighteen years. The man in the street reading the statement imagines that he can reasonably expect to live that many years longer owing to improved conditions. It would be a delightful thing if that were true. There has indeed been a marked improvement in health conditions, especially in the conservation of child life. That adds to the expectation of life at the early ages. This is a very different thing, however, from supposing that a man at an average age, say 35, has a greater expectation. In fact there are conditions in the life of to-day that make it highly probable that the improvement becomes a 'minus quantity' after middle life and that the expectation of life is actually less han in former years owing to the degenerative co-troubles due to the fast pace at which the modern man travels.

Greater Average Life

"One of the most critical years in the life of an individual is the year following birth, and according to some standard tables the probability of a child just born living one year is no greater than the probability of a man aged 65 years living one year more, showing how precarious is the life of a child. Owing to improved methods of caring for infant life, multitudes of children are saved who in former years would have died. But a child who survives contributes a great deal more to the sum total of the life of the population than a middle aged man whose life is prolonged. The result is that the conservation of child life has added greatly to the average life time of the population. On the other hand while the conditions surrounding child life have been improved, adult life has not been substantially improved and modern life cuts down a vast number of men in the prime of life. So that for the man in the street to hope that his expectation of life has been lengthened by twelve or eighteen years is a fallacy. If it were actually true that expectation of life had been increased in this remarkable way at all ages the values of annuities and life assurances would be revolutionized. The annuities would increase greatly in value and the assurance would diminish in proportion. The fact that none of the companies has taken action to adjust its rates to an increased expectation of life shows that all are skeptical as to the truth of the claims being made; and well they might be."

Sun Life Finds Business Good; New Policies Are Selling Well

The Sun Life Assurance Company reports to The Financial Post very satisfactory gains for the first six months of 1925, confirming the testimony of other companies as to conditions published a week ago.

The Sun Life Assurance Company of Canada is an international company, operating on four continents, and in some fifty countries and states.

A broad survey of its activities for the first half-year of 1925 discloses very gratifying features. Substantial gains are to be noted in written and paid-for business; these advances are not confined to one section of the field, but are shared generally. While the increases recorded are attributable in some measure to the expansion of our organization, to intensified effort, and the improved capacity of our individual field-men through educational facilities, it must be ascribed in great measure to the fact that people generally are more prosperous, and are becoming more keenly appreciative of the services which life assurance can render to them in the arranging and ordering of their affairs. This is particularly observable in Canada. There not only is further considerable augmentation in the writing of ordinary life and endowment plans, but the business secured in such divergent contracts as group assurance and annuities (both immediate and deferred) show substantial advances over the figures established in 1924.

More Annuities Bought

The quickened interest of the public in income values is attested not only by the large number of applications for annuities, but also by requests for ordinary assurance to be paid to beneficiaries under income options.

A concession recently granted by the company which has been widely appreciated, is the increase in the limit of risk accepted under the non-medical plan, which has been advanced to $5,000; this has resulted in a large accession of business in small amounts.

Much interest is to be observed in the salary savings plan of assurance recently announced by the company, and it is confidently anticipated that when its features have become familiar to employers and employees, a large amount of business on the lives of wage-earners eligible for its benefits will accrue.

A very gratifying feature indicative of sound and widespread prosperity, is the substantial increase to be noted in the number of policies revived after having been allowed to lapse before the non-forfeiture feature incorporated in all the companies' policies had an opportunity to operate. Arrears of premiums as represented by advances made under this non-forfeiture provision show a considerable decrease, while substantial payments on account of loans made on policies are recorded.

"The increase in underwritings in Canada is not confined to one section of the Dominion or to one class of people—the improved showing is general, and is contributed to by every province. This would indicate that the adverse trade conditions obtaining in some localities have been more than overtaken by the improved conditions in others," says George H. Harris, supervisor of field service of the Sun Life.

Economies on C.N.R. Cut Expenses of Operation

Commenting upon the financial statement of the Canadian National Railways for the six months period, January 1st to June 30th inclusive, issued this week, Sir Henry W. Thornton, chairman and president of the company, said an analysis of the improvement in the cumulative position of the net earnings of the Canadian National Railways for the first six months of this year indicates that the result has been obtained through a substantial saving in operating costs.

The gross receipts show a decrease of $9,318,815, or 8.11 per cent. compared with the same period of last year but the net revenue is $1,129,916 ahead of the same period. To bring about this result, all forms of operating expenses have been substantially reduced. Transportation expenses showing a reduction of over five million dollars or 9.12 per cent. This reduction in transportation expenses being in greater ratio than the decline in operating revenues indicates that the measures taken to increase operating efficiency are producing encouraging results and in bringing about these results the property of the company has been maintained to a satisfactory standard commensurate with the traffic handled. The increase in gross receipts shown during the weekly periods of July might be accepted as indicative that conditions have now shown a turn for the better.

MORE INSURANCE SOLD TO FARMERS

Life Insurance Agents Are Covering Rural Communities Better Than Ever Before

How has Canada Life Insurance year after year managed to pile up a new record of business closed, eclipsing in turn the high record of the previous year? Undoubtedly one of the reasons has been that the selling force of Canadian fire insurance has broadened its effort to reach more people than ever before, and has taken the message of life insurance to thousands of uninsured throughout the country.

One of the great and almost neglected areas has been among the farmers of Canada. In Western Canada, life insurance salesmen have done great work in the rural communities, but throughout the other parts of the country farmers were not reached to the same extent as the city people, who are congregated more thickly and are more easily accessible. Nearly every company is now organized to reach farmers as well as city people, and more life insurance has been written among Canadian farmers during the past three years than at any previous time.

In this and other ways life insurance companies are finding new fields to help and maintain records that at the time they have been made have seemed almost unbeatable.

A Living Certainty

A man becomes rich in proportion to the number of things he can do without in order to pay for life insurance.

Great-West Life

17

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CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
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Superintendent of Agencies

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Since 1833, the year of our foundation, this Company has promptly satisfied all claims of policyholders.

A record such as this is your best security for quick and timely settlement in case of need.

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Established 1833

The Independent Order of Foresters
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TOTAL BENEFITS
Paid to Members and their Beneficiaries
$85,000,000.00
Policies Issued from $1,000 to $5,000

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on Inland Seas

Huge craft are these Great Lakes Liners, "Noronic," "Hamonic" and "Huronic." You'd have to sail the seas to find their equal in size, accommodation or appointments. Proudly they ride the blue lake waters while you lounge on the spacious decks or enjoy the comforts of lounge, music, ball, reading or smoking rooms. Staterooms have running hot and cold water and a reading light over every berth. Parlors with bath en suite and with it all goes the service and cuisine of an ocean liner. A wondrous trip, from Sarnia to Port Arthur where trains await to take you to

Winnipeg and Points West

Three sailings weekly, leaving Point Edward Dock, Sarnia, Tuesdays, Thursdays and Saturdays at 4 P.M. (E.T.) C.N.R. special steamboat train leaves Toronto at 10.02 A.M. (E.T.) via Hamilton and London, direct to ship's side.

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Ask any Canadian National Ticket Agent for information, reservations and tickets. In Toronto, apply Canada Steamship Lines, 46 Yonge St., or Canadian National Railways, Northwest Corner King and Yonge.

Northern Navigation Company Limited
Canadian National Route

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Many people are now taking life assurance under the convenient "Salary Savings Plan" offered by the Sun Life of Canada.

Through co-operation, the employer makes monthly deposits, deducted from wage or salary, instead of annual deposits which many salaried employees find it difficult to accumulate.

Life assurance on the plan that suits you—Medical examination waived in most cases.

Ask a Sun Life representative

SUN LIFE ASSURANCE COMPANY
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HEAD OFFICE : MONTREAL

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GOOD COMPANY
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Statistics show that the ratio of premiums to losses in

Credit Insurance

is lower than in any other branch of insurance! With the cost so low, and the benefits so great, can you really afford to be *without* this economical, wonderfully-efficient service?

Remember, Manufacturers and Wholesalers, the loss from the non-payment of just one big account may wipe out all your profits on a hundred others. Don't gamble—play safe; protect your resources absolutely and scientifically, with a bond of the American Company, the oldest and largest writer of credit insurance.

CANADIAN DIVISION
The AMERICAN CREDIT INDEMNITY COMPANY
of New York —— J. F. McFadden, President

R. J. MULLEN, General Manager for Canada
Toronto Office, Excelsior Life Bldg., Phone—Main 4181
Montreal, Canada Cement Bldg., Phone—Uptown 3955

JR425

POST-Scripts

A CERTAIN lawyer has done a large amount of investigation work along one line on behalf of a Canadian province.

A newspaperman from outside the province talked with the lawyer for a long time and was well impressed by his grasp of the subject and his general ability but decided to check up on local opinion of him.

He went to one of the biggest, soundest men in the community. This is what he was told: "The man's a scoundrel and a faker. He doesn't know the first thing about his subject. He only has the job because he's interested indirectly in a newspaper and the newspaper supports the government and the legal fees are the 'split.'"

That was definite enough and seemed to settle it, but the newspaperman went to another of the biggest, soundest men in the community. This time he was told: "That lawyer's handled this job in masterly fashion. He knows his work from the inside out."

Which only serves to bring back the old adage that "there is so much good in the worst of us and so much bad in the best of us that it doesn't do for any of us to talk about the rest of us."

A DEEPLY religious Pennsylvania lady left a fund to support a home for "selected clergymen of the Presbyterian faith who are decayed by age or disabled by infirmity, and who do not use tobacco in any shape or form." Twenty-one years later her trustees petitioned the court for permission to end the attempt to maintain the home and find inmates to fill it. In the two decades, they explained, they had been able by newspaper advertising, and otherwise, to discover 35 applicants. Twelve were found to be non-Presbyterian or to use tobacco. Eight others were accepted, but changed their minds before entering. Of the fifteen who had entered, ten had left, four had died, and one remained.

The court felt obliged to reject the petition. While finding nothing in the will to forbid the admission of the wives of inmates (contrary to the then prevailing construction which would have compelled a married minister to abandon his wife to become a beneficiary) it found no authorization, in the terms of the bequest, for discontinuing the institution or for administering relief to any minister in need, unless he could be prevailed upon to move into the home.

The actual results from the bequest were very different from those its founder had pictured. But the directions in her will were static, and perpetual—and she was twenty years in her grave. In any situation short of the critical extremity that would justify the interference of the state itself, no one had power to make the corrections she would wish to make if she could speak.

* * *

THAT situation finds essential repetition in countless cases, and in every city. Benjamin Franklin, wise as he was, left a fund for "indentured apprentices." The fund remains, but the indentured apprentices have disappeared. I recently noted two bequests totaling nearly $6,000,000 for establishing orphanages in Virginia. The more modern preference for placing orphans in private homes is relegating to oblivion the old-fashioned institutional "asylums," such as those two endowments will create, and Virginia (whose population is less than half that of the city of New York) already has forty-odd orphanages, many of them with vacant beds. Yet these additional millions are perpetually dedicated to this single and obsolescent purpose. If much of that sum is not unnecessary from the beginning, it will certainly become so.

Canada, as well as the United States, is spotted with these instances of old trusts or endowments becoming moribund with passing time and changing conditions. The effort to prevent, in the future, a similar futility from overtaking funds left hereafter, has led to the organization in New York and elsewhere of what is known as the Community Trust. A community trust is not a trust company, but a committee of citizens to whom donors can leave money to be spent for charitable work. The Community Trust carries out the requests of the donor until conditions make that difficult or impossible, and then makes necessary amendments, thus keeping the money active in good works for all time.

Germany Now Canada's Third Foreign Customer; Buys Wheat, Flour, Cars

Canada in Turn is Buying Heavily of German Goods—$600,000 of Toys Alone Imported—Trade Relations With Former Enemy Developing at Remarkable Rate

From Our Own Correspondent

OTTAWA.—Among the outstanding features of Canada's foreign trade is the marked increase which has taken place during the last three years in the business transacted between the Dominion and Germany. Three years ago, Germany ranked eleventh in the list of countries to which Canada was sending her goods; to-day Germany is Canada's third best customer. In the government's summary of trade for the twelve months ended June, 1925, it is shown that the commercial dealings between the two countries during that period reached a total of nearly $35,000,000, representing a gain of approximately $22,000,000 over the corresponding period in 1923.

The increase in Canadian exports to Germany has been little short of remarkable. During the twelve months ended June the shipments totalled $27,985,631, being a betterment of $9,294,525, or nearly 50 per cent. over the 1923-24 period, and of $18,078,871, or 150 per cent. over the 1922-23 period. The increase in imports from Germany is a distinct indication that goods from that country are rapidly regaining the favorable position they held in Canada before the war. The total bill paid by Canada for German merchandise was $6,961,542, an increase of $1,255,818 over the 1923-24 period, and of $2,692,022 over the 1922-23 period.

Wheat and Flour First

While the list of Canadian commodities which are finding a market in Germany is a fairly lengthy one, the principal exports are wheat and flour. In the twelve months ended May, which is the latest period for which trade details are available, the shipments of wheat were valued at $4,263,000, a gain of $2,389,751 over the corresponding period last year. Flour has not fared so well, owing to a decided falling off in the exports during April, May and June. For the twelve months they totalled in value $11,609,413, a decrease of about $9,000.

Large quantities of Canadian barley and rye are also being sold to Germany. The shipments of barley were valued at $461,751, an increase of $305,700, while exports of rye were valued at $773,168, an increase of $100,000. Milk powder and lard are other commodities which have been steadily gaining in German favor, and which show substantial increases.

Buying Our Oats

An interesting point is the demand which is developing in Germany for Canadian-made passenger automobiles. During the period under review, 292 passenger cars, valued at $261,838, were exported, being a betterment of 227 cars and of $196,534 in value. The greatest call has been for the higher priced cars, the recent shipments having included 124, each valued at over $1,000.

There was a big increase in the exports to Germany of aluminum in bars, blocks, etc. These reached a value of $701,633, the gain being $682,547. A steady increase is also noted in the shipments of asbestos.

During the period under review. Canada bought more than $600,000 worth of German toys, including dolls. This was an increase of $200,000 over the previous period, and of $450,000 over the 1922-23 period. It is interesting to note that while in 1923 Canada's purchases of toys from the United Kingdom were about $80,000 in excess of those bought from Germany, the imports from the latter country during the recent twelve months' period were greater by $450,000 than those from the United Kingdom.

There was also a material increase in imports of glass and glassware, including glass carboys or demijohns, incandescent lamp bulbs and plate glass. Among the inorganic chemicals a big increase is noted in the imports from Germany of nitrate of ammonia, sulphate of copper, nitrate of potash, etc. Other German commodities which have secured a better footing in Canada during the last couple of years are knitted gloves and mitts, leather gloves, china tableware, silk yarns, and such household and personal equipment as combs, jewellery, pocket books, smoking sets, and bead ornaments.

B.C. Shows Ores at British Fair

British Columbia will be represented at the mineral exhibit in the Wembley Exhibition this year by Fred A. Starkey, Commissioner of Associated Boards of Trade, of Eastern British Columbia.

Mr. Starkey will be charged with the responsibility of keeping Hon. William Sloan, minister of mines, in touch with mining flotations launched in London and based on mining properties of this province. Reports indicate that British capital is taking increased interest in the mining industry of this province. It is important that this tendency should be encouraged, and that what is possible should be done to prevent enterprises of questionable merit being put before the British investor.

"What the mineral resources of British Columbia most need at this time," Mr. Sloan said, "is capital—with such support nothing can hold the continued prosperity of the industry."

The province has a thoroughly representative mineral exhibit at the great exposition. Specimens of the production of the different mineralized districts were assembled by Dominion and provincial officials two years ago. They were generously assisted by individual miners and active companies, resulting in the assembling of a carefully selected display, which serves to illustrate the present prosperous condition of mining in the West, and gives the seeker for information some conception of the possibilities of an industry which, so far as British Columbia is concerned, has only started to come into its own.

First-Hand Knowledge

Mr. Starkey has long been intimately associated with mining in the interior. He has first-hand knowledge of all the mining sections of the province. Last year he did good work at Wembley, taking charge of the distribution of literature furnished by the department, and explaining to those making enquiries at the exhibition and elsewhere, the opportunities offered by British Columbia to the investor. While it was to mining that he primarily addressed his activities, it was found that his knowledge of the general conditions in the province was useful to those contemplating migrating to the Canadian West.

Mining Data

This year the department has forwarded to the exhibition a large quantity of mining reports and illustrated booklets, which are being distributed among those who inspect the British Columbia mineral exhibit, and who are interested. Mr. Starkey will pick up the work where it was left off in 1924, the results of which are already being made manifest, and which it is considered of utmost importance should be continued.

The Record of Fire Losses in Canada

Place	Property	Date	Loss	Insurance	Cause
NOVA SCOTIA					
Glace Bay	Gefters', barn	July 24	Total	......	......
Upper Musquodoboit	A. Fraser, barn	July 22	Total	None	......
Glace Bay	S. Bishop, res.	July 22	Total	......	......
Port Maitland	C. B. Crowell, barn & bldg.	July 21	Total	Partial	Chimney
Central Chebogue	H. Cook, res.	July 23	Total	Small	......
Reserve	T. McDonald, res. and shop	July 23	Total	......	......
Port Hood	Mr. White, res.	July 23	Total	......	......
Clementsvale	T. H. & G. W. Trimpes, barn and livestock	July 24	Total	......	Unknown
Glace Bay	L. Burnstein, store	July 24	Total	Partial	......
QUEBEC					
Lac Megantic	W. L. Fish & Son, shop	July 23	Heavy	Partial	......
Coaticook	J. Duclos, res.	July 24	Considerable	......	Unknown
Montreal	M. J. Latt, res.	July 23	Considerable	......	......
Ferme Neuve	I. Godmer, hotel	July 28	$2,000	Partial	......
ONTARIO					
Vineland	J. Martin, barn and contents	July 27	$6,000	$3,500	......
Melbourne	S. McLean, res.	July 23	Heavy	......	Unknown
Markham Tp.	N. Hoover, barn and bldgs.	July 26	$5,000	......	Lightning
Kitchener	I. Bowman, barn & crop	July 25	Total	......	......
Highgate	D. Ferguson & R. J. Dubes, barn and contents	July 23	Heavy	$900	Unknown
Morven	A. Van Slyke, barn and contents	July 21	$5,000	......	Lightning
Big Point	Lucier barn and bldgs.	July 23	Total	......	Spark
Maidstone	J. Mullins, barn and shed	July 24	$6,000	Partial	......
Toronto	Rice Bros., Riverdale Dairy	July 28	$1,000	......	Unknown
Ottawa	J. Tremblay, res.	July 23	$1,500	Partial	Unknown
Owen Sound	E. A. Bye, barn	July 24	Total	......	......
Belleville	H. S. Thompson, res.	July 30	$3,000	Partial	Chimney
Hamilton	W. Tyner, shop	July 31	$10,000	......	Lightning
East Linton	N. Elliott, barn	July 30	Heavy	......	Unknown
St. Thomas	A. Munroe, res.	July 27	$6,500	......	Unknown
Montague	R. M. Condie, barn	July 28	$6,000	Small	Lightning
Petrolia	C. DeWilde, barn	July 25	$6,000	$1,000	Unknown
Britannia Village	R. Birtch, Mrs. J. O'Grady cottages	July 29	$8,000	......	Unknown
North Augusta	L. Sutherland, barn	July 27	Total	......	Lightning
Ottawa	Ideal Billiard Parlors	July 26	$2,000	......	Unknown
Ekfrid	S. McLean, res.	July 31	Total	$1,800	Unknown
Elmira	E. Bauman, barn and crop	July 25	Total	......	Explosion
Gore Bay	G. Weir, barn	July 31	Total	Partial	Unknown
Gore Bay	J. Young, barn	July 31	Total	......	Unknown
Newbridge	Grist and saw mill	July 28	Considerable	......	Hot boxing
St. Thomas	B. Mannis	July 22	Heavy	......	......
Wallaceburg	J. L. Johnston, barn and crop	July 17	Heavy	Small	......
St. Marys	J. Dunbar, res.	July 22	$4,000	......	Stove
Dummer	C. Lea, res.	July 17	$2,000	$1,000	......
Peterborough	W. J. Fitzgerald, Jr., bldg.	July 23	$1,000	......	......
Orangeville	J. Nicholson, res., E. C. Daniels, store	July 19	$500	Covered	......
Ft. William	Mrs. F. McCabe, shed	July 22	Total	......	Unknown
Wooler	Mrs. G. Brown, barn	July 21	Total	Small	Lightning
Durham	J. McGowan, flour mill	July 27	$40,000	$20,000	......
Kingston	J. Brown, house	July 22	$4,000	$1,000	......
Joyceville	R. Lackie, barn	July 21	Total	Covered	Lightning
Durham	Mrs. C. Smail, barn	July 21	Heavy	......	Lightning
Ft. William	Mt. McKay Flour & Feed Co. plant	July 26	$40,000	Partial	......
Brockville	L. Sunderland, barn and bldgs.	July 28	Total	Partial	Lightning
Campbellford	R. Moore, cottage and garage	July 16	Total	Partial	Unknown
Wiarton	G. Hahn, res.	July 22	Considerable	......	......
MANITOBA					
Forrest	G. McDonald, res. (one death)	July 24	Total	......	......
Portage La Prairie	J. Deslier, barn & contents	July 23	Total	Covered	......
Virden	Holland Creamery bldg.	July 26	Heavy	......	Unknown
SASKATCHEWAN					
Palmer	C. L. Smith, drugs and fixtures	July 18	Total	None	Chimney
"	F. L. McRae, bldg.	" 18	Total	......	"
BRITISH COLUMBIA					
Port Essington	business section	July 23	Total	......	Chimney
Cranbrook	J. B. McBride, bldg.	July 19	$5,000	Covered	Unknown
Revelstoke	E. Thienpont, res.	July 16	Considerable	......	......
Nelson	A. Clark, res.	July 20	$500	None	Boiling tar
Hedgeman's Corner	R. Sherrick, res.	July 22	Total	......	Unknown
Rice Lake Road	A. W. Wallace, res.	July 23	Total	None	......
Nr. Vancouver	N. Vancouver Saw Mills	July 24	$120,000	......	Unknown
Popcum	J. A. Gray, res.	July 17	$3,700	Partial	......

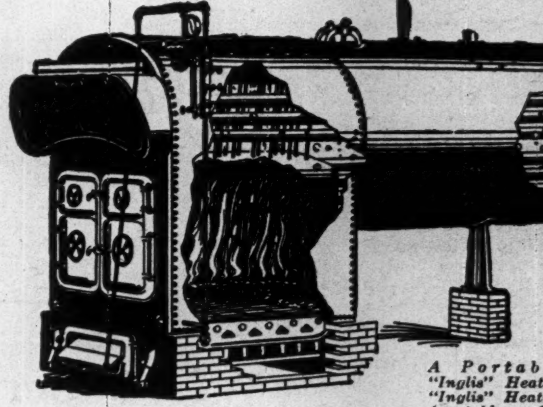
Let Us Do Your Reading

When you wish to follow a subject that is attracting attention in the press of Canada, let us save your time and money by doing the work for you.

We can give you a complete coverage of Canadian newspapers, clippings from which will reach your desk with the utmost despatch,—daily if necessary.

Let our service keep you in touch with all items relative to your line of business. Such a service might include items on industrial conditions, crop reports, factory expansion, new buildings, fires, and trade changes. Let us tell you how we can be of service.

THE CANADIAN PRESS CLIPPING SERVICE
143 University Ave., Toronto



A Portable Firebox "Inglis" Heating Boiler. "Inglis" Heating Boilers (portable and brickset) are built in all sizes, large and small. Specifications gladly supplied on request.

Canadian Made Goods *First*

WHEN a foreign-made boiler is purchased in preference to a Canadian-made boiler, we know it is because of a seemingly better price, for on quality, Canadian boiler shops are equipped to beat the world in competition. But before a boiler purchase is made, *all* factors of cost should be carefully considered—not merely first cost.

Think of the delay occasioned in waiting for new castings or for repair parts that have to come from another country. Note, too, the price of these and how the initial saving at the time of installation is more than offset by costly delays, interruptions and general inconvenience.

The John Inglis Company, Limited, employing Canadian labor and Canadian capital, takes pride in its reputation for high-grade boilers. Fully equipped to manufacture engines, boilers, pumps, stacks, towers and all classes of machinery, we offer you the benefit of our 60 successful years in the business and we welcome every opportunity to demonstrate that our Canadian-made products are second to none at any price.

The John Inglis COMPANY LIMITED
14 Strachan Avenue, Toronto, Ont.
405 Power Building, Montreal, P.Q.

NORTHERN ELECTRIC CO.
Northern Electric
Northern
"NORTHERN ELECTRIC" CITY
A composite picture of Northern Electric Factories and Warehouses, representing a dependent population of approximately 15,000 people.

The arteries of business

IF YOU could X-Ray a modern skyscraper, what would you see?

An intricate system of electric wires and cables branching out like the arteries of your body. Some for illumination, some for messenger signals, some for bells and buzzers, some for telephones, some for fire and burglar alarms. And all for efficiency!

Without these the building would be useless. For these electrical aids are essential to every modern business.

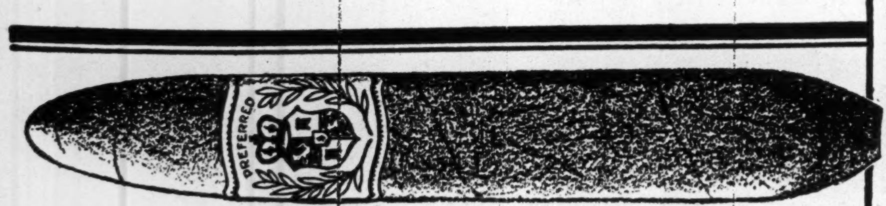
And thus, in the work of making dependable electric cables—the very arteries of business—does Northern Electric contribute to the greatness of Canada's trade.

Northern Electric
Makers of Canada's Telephones
The Name on the phone NORTHERN ELECTRIC
10425

No. 4 of a Series of Advertisements issued by one of Canada's greatest Electrical organizations

Our Service to You

To maintain unbroken service, every kind of electrical equipment must be always available. Northern Electric, through twelve branch warehouses, does its part towards preventing a hardening of the arteries of business.



After luncheon,—after dinner, relax and enjoy that fragrant Havana.

It's a Tucketts Preferred

15 CENTS STRAIGHT Tucketts Preferred Perfecto Cigar

P2

After all there is nothing so satisfying as a good Cigar

STERLING AT PAR PROVES BOON TO CANADIAN FARMER

Greatly Extends Largest Market For Grain and Animal Products

U. S. DISCOUNT ABUSED

Moderate Sized Crop Will Yield Larger Profits to Farmer Than Bumper Crop

The enormous value to the Canadian farmer, and hence to the country at large, of the return of the pound sterling to par, is just beginning to appear. Much emphasis has been placed upon this adjustment by the business and manufacturing public, but the value to the farmer is greater than to all other groups combined. Last year at this time the pound was quoted around $4.45 and there was a fairly wide fluctuation in rates. This eight per cent. handicap not only added an uncertain element to business, and caused British buyers to postpone future commitments as long as possible, but it diverted business from the Canadian farmer to Australia and elsewhere. It was also one of the potent factors in depressing farm prices.

Britain is by far the most important market for Canadian farm products. Last fiscal year she took $264,000,000 worth of our farm output, and this amounted to 67 per cent. of the total volume of her purchases from us. In addition to grain, a large volume of Canadian meats and dairy products is sold in the United Kingdom. Since the removal of the cattle embargo, moreover, a large market for Canadian livestock is being built up. In all this, the recovery of exchange is of inestimable value. During the previous period, daily fluctuations made it impossible for the British buyer or the Canadian seller, to enter into negotiations without taking a gamble on possible changes in the rates before payment was made. Such uncertainty actually reduced the volume of trade very materially. World trade in 1920, 1921 and 1922 dropped to nearly one-third less than before the war. Exports of foodstuffs from the United States dropped from $2,500,000,000 in 1919 to $800,000,000 in 1923. It is evident that importing countries actually did without many of the goods which they were accustomed to purchase during a period when no such handicap existed.

The decision of the British government to redeem its paper money in gold is being followed by many other countries. A majority of the countries of Europe now have paper currency which is redeemable in gold, and the net effect of this return to par on the part of buyers of a large proportion of our farm products has removed a big handicap from our trade, has enabled farm prices to regain their former price levels, and is placing the farmer in a sound position once more, a matter of the utmost importance in a country more than half the population of which lives on the farm.

Effect of Discount on U. S. Funds

Another side of the exchange question which has a business implication at the moment is the possible effect of the discount on the United States dollar in Canada. It has been suggested that this would tend to prevent the sale of goods to the States, and the spending of United States money in Canada in general. While the percentage is too small to make any material difference in this respect, there is a tendency on the part of certain merchants and others to charge exorbitant rates on United States funds spent here by tourists. It is reported that as much as 5 per cent. has been charged. Naturally this places a handicap upon the spending of United States funds in Canada, tends to react against the growth of the tourist trade, and does harm to the business of the particular individual who imposes the unwarranted toll.

The farm outlook with respect to the grain crops is still quite good, but hope for anything like a bumper yield is largely abandoned as a result of the period of hot dry weather last month. This is not an entirely unwelcome situation to the farmers with the exception of those who have suffered. The experience of the past three years has shown that the farmer does not make the largest profits out of the largest crops. Early reports which predicted a bumper yield had the effect of depressing prices from the high position which resulted from last year's shortage. Had these not been circulated, the price would still be nearer $2, as the condition of crops elsewhere does not indicate a particularly large world supply. As it is, harvesting costs will be normal, and the farmer has a better chance of making a reasonable profit than might be the case if a bumper yield were harvested.

ENGLISH ELECTRIC CO., OF CANADA, LIMITED

Dividend

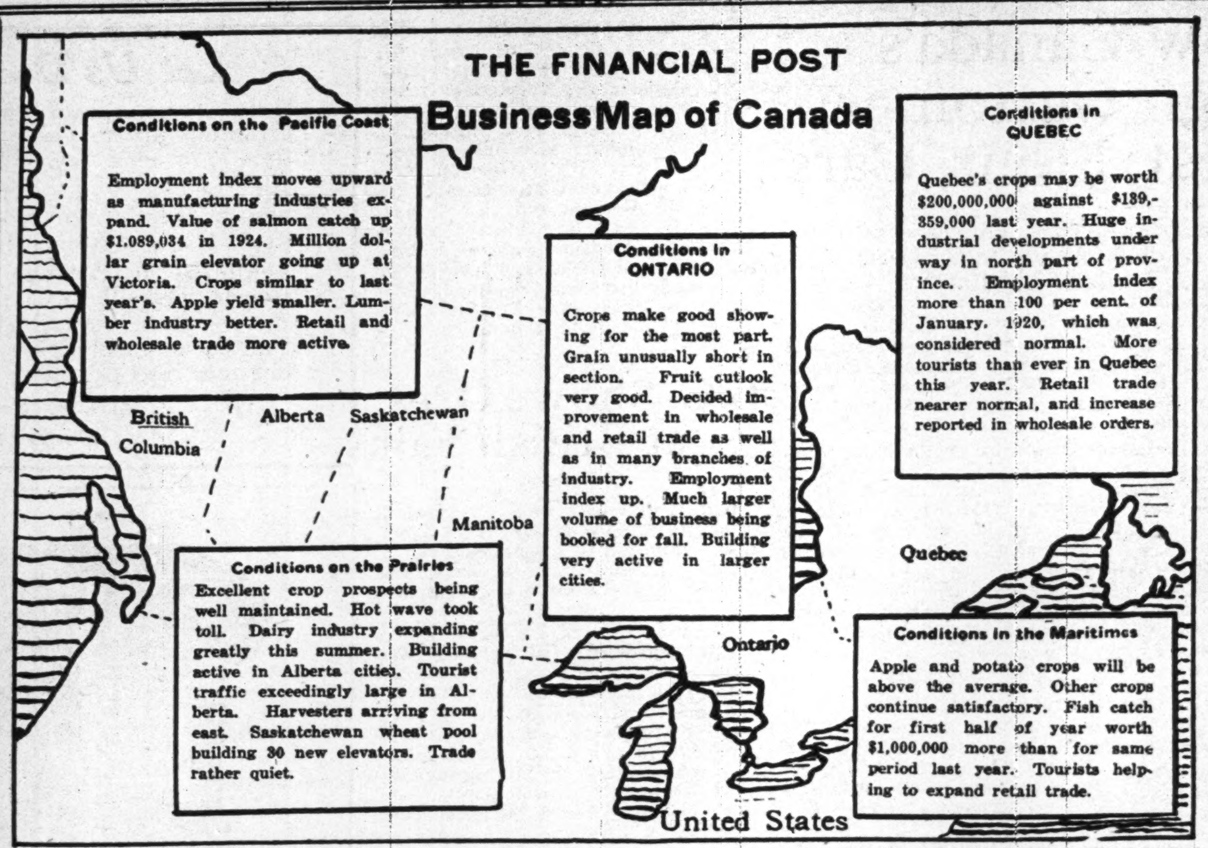
NOTICE is hereby given that a dividend of two and one-half per cent. on the Preferred Stock of the English Electric Company of Canada, Limited, has been declared, on account of arrears, payable on and after August 15, 1925, to Shareholders of record, August 5, 1925.

By Order of the Board.

J. H. PHIPPEN,
Secretary.

Montreal, July 31, 1925.

POSITION WANTED BY EXPERIENCED accountant and office executive, having had considerable experience as travelling auditor and office manager. Apply Box 220, Financial Post, Toronto.



THE FINANCIAL POST

Business Map of Canada

Conditions on the Pacific Coast

Employment index moves upward as manufacturing industries expand. Value of salmon catch up $1.089,034 in 1924. Million dollar grain elevator going up at Victoria. Crops similar to last year's. Apple yield smaller. Lumber industry better. Retail and wholesale trade more active.

Conditions in ONTARIO

Crops make good showing for the most part. Grain unusually short in section. Fruit outlook very good. Decided improvement in wholesale and retail trade as well as in many branches of industry. Employment index up. Much larger volume of business being booked for fall. Building very active in larger cities.

Conditions in QUEBEC

Quebec's crops may be worth $200,000,000 against $189,359,000 last year. Huge industrial developments under way in north part of province. Employment index more than 100 per cent. of January, 1920, which was considered normal. More tourists than ever in Quebec this year. Retail trade nearer normal, and increase reported in wholesale orders.

Conditions on the Prairies

Excellent crop prospects being well maintained. Hot wave took toll. Dairy industry expanding greatly this summer. Building active in Alberta cities. Tourist traffic exceedingly large in Alberta. Harvesters arriving from east. Saskatchewan wheat pool building 30 new elevators. Trade rather quiet.

Conditions in the Maritimes

Apple and potato crops will be above the average. Other crops continue satisfactory. Fish catch for first half of year worth $1,000,000 more than for same period last year. Tourists helping to expand retail trade.

West is Certain of Paying Crop, Says Miss Hind

Not Bumper Because of Spotty Condition, But Satisfactory

By E. CORA HIND,
Commercial Editor, Manitoba Free Press,
Special to The Financial Post.

GULL LAKE, SASK.—During the past seven days I have motored some eleven hundred miles, covering mainly southern and southwestern Saskatchewan, and have seen some of the largest wheat areas of that province. I find that the damage done by heat and dry weather has been very serious and that the general rains reported around July 23 to 25, while they did great good, did not come early enough for very large sections of the crop, many of the earlier crops being cut in half in the matter of yield. On the other hand, there are relatively few crops that have been entirely ruined, although there are limited areas being plowed down as not worth the expenses of cutting and threshing.

The southern half of the great Moose Jaw plains has practically escaped damage and will yield heavily. Some of this country was reported to have stem rust but I found no trace of it, and the only defect located in the wheat in all the districts covered, apart from heat and drought, is western stem sawfly. This is pretty general but does not prevent filling, and loss from this source will not be great in any case.

Stands of wheat are generally thick, but heads, while on the whole a fair length, will not fill more than four rows on an average. A few wheat crops are being cut but these have all ripened at the expense of filling and will yield poorly and grade will not be high. Crops that benefited by the last rains are filling more slowly and promise an excellent sample.

Early Rain Would Help

All the country covered on this trip would be the better of more rain, provided it comes within the next week, for while there are crops everywhere that nothing could improve, there is not a district but has some crops that would fill better with further rain. Speaking very broadly, barley and oats in these sections are poor, short in straw and head, having suffered more severely than wheat. There are exceptions of course, but the returns from coarse grains will be a short crop as a whole. In the territory covered there is a large percentage of the flax areas of Saskatchewan and this, too, is, generally speaking, a poor crop, with much of it extremely short, late and very weedy.

The trip began at Regina, ran east and south to Alameda, west to Estevan, north to Stoughton, north and west to Francis, south to Weyburn, south and west to Colgate, north and west to Radville, west to Hardy, north to Amulet, west to Omega, north to Truax, north and east to Rouleau, north and west to Moose Jaw, south to Assiniboia, west to East End, south and east to Canuck, north through Shaunavon to this point. There has never been a season when there was more good summer fallowing being done. There are some excellent fields of corn and sunflowers and a steadily increasing amount of sweet clover. The West is in for no bumper crop so far as this portion of Saskatchewan goes, but it will nevertheless reap a paying crop from a very large part of the territory seeded. A report reached me Monday, Aug. 3, from Manitoba that stem rust was neither serious nor spreading, so that province with its large rainfall will no doubt give a good account of itself, and there are tremendous stretches of Saskatchewan still to inspect.

Wheat Cutting Begins; Better Than Usual Yield

REGINA (Special).—The wheat prospects indicate a yield slightly better than the average, taking the province as a whole, according to telegraphic reports received by the statistics branch of the Department of Agriculture. The wheat in the central and northern districts, with the exception of the extreme northwestern part, is more uniformly good than in the southern districts where the wheat on the heavy land is a very promising crop, but on the light land and in some districts in the southwest the crops have suffered from heat and drought and the yields will be light. Coarse grains are only fair and rain is needed all over the province except in a very few districts to bring them along; in fact there are very few districts where rain would not benefit all the crops. The weather during the past two weeks has been dry and hot with some cool nights. Frost has been reported in a few places in the eastern half of the province but so far as is known field crops have escaped injury. The danger of the heat ripening the grain too quickly without properly filling is causing some anxiety in a few districts. Crops have suffered very little damage from any source except drought during the last two weeks. There are no alarming reports of rust. Although the sawfly has appeared, the damage is not extensive. Hail damage has been very slight during the last two weeks. Rye cutting has commenced all over the province. The yield is fair but many report that the straw is short. Wheat cutting will commence in some districts this week and is expected to be pretty general all over the province by the end of next week.

The Royal Bank of Canada

DIVIDEND No. 152

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the first day of September next; to shareholders of record at the close of business on the 15th day of August.

By order of the Board,

C. E. NEILL,
General Manager,

Montreal, Que., July 14, 1925.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this institution has been declared for the current quarter, payable on and after Tuesday, the FIRST day of SEPTEMBER next, to Shareholders of record of 31st. July, 1925.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 21st. July, 1925.

The Canadian Bank of Commerce

Dividend No. 154

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1925, payable at the Bank and its Branches, on and after Tuesday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1925. The transfer books will not be closed.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 17th July, 1925.

SALT

An Essential Product and an Opportunity

The mining of salt is an industry which is over a century old, yet ever new. No one can foresee the limits of its usefulness. No one can take measure of its opportunities. Salt today is used for breakfast, dinner and supper by the population of the world. It is an essential product in industry, effective, economical, unfailing. The invested capital in the salt industry of Nova Scotia is only about $173,000, which has been spent in construction and extension of the business during seven years.

Yet the production and distribution facilities of the Malagash Salt Products must be further increased to fill the demands of homes and industries. The funds necessary will be supplied by large and small investors of the nation.

If you would have a better understanding of the salt mining business, salt as a product, its present service and future possibilities, write for our booklet—"Inside Information on Malagash Salt."

Malagash Salt Products, Limited
New Glasgow, Nova Scotia

Canadian National Railways Quebec Land Grant Lands

TENDERS will be received by the undersigned up to and including 31st August, 1925, for the acquirement of all or any part of the rights to 100,000 acres of railway land grant lands, and the timber thereon, located in the Province of Quebec, earned by subsidiary companies of the Canadian National Railways under various statutes of the Province.

Bidders will make their own selection of lands, specifying the location generally in their tender, and attaching a plan showing such location.

In awarding tenders, consideration will be given to the rail haul revenue to the Canadian National Railways derivable from the forest products on the lands selected.

Terms—ten per cent. (10%) cash or accepted cheque with tender, balance within sixty (60) days on execution of documents transferring the railway rights to the purchaser.

The purchaser will be required to observe all the applicable conditions of the statutes relating to the land grants and conditions contained in the patents from the Crown.

Highest or any tender not necessarily accepted.

Further particulars may be obtained upon application to

W. D. ROBB, Vice-President,
Canadian National Railways,
94 McGill St., Montreal, Que.

Montreal, P.Q., Aug. 1st, 1925.

TENDERS FOR PULPWOOD AND TIMBER LIMITS

TENDERS WILL BE RECEIVED by the undersigned up to and including the 10th day of September, 1925, for the right to cut pulpwood and such other classes of timber, as the stipulated conditions may require on certain areas situated in the following regions:—

(1) The East and West sides of Lake Nipigon, Thunder Bay District.
(2) The watershed of Kapuskasing River District of Cochrane.
(3) The watershed of Mattagami River, District of Cochrane.
(4) The watershed of Ground Hog River District of Cochrane.

FOR FULL PARTICULARS, as to Terms and Conditions of Tender, and Sale, apply to undersigned.

JAMES LYONS,
Minister of Lands and Forests,
Toronto, Ont.

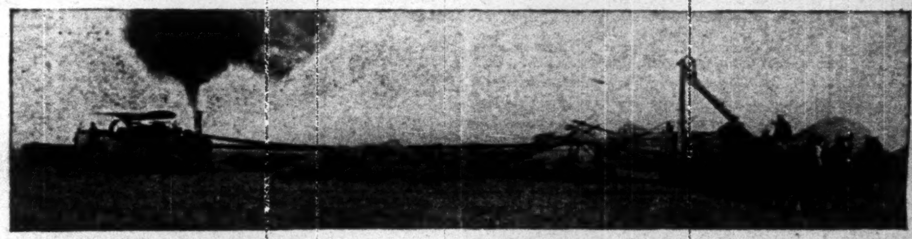
N.B.—No unauthorised publication of this Notice will be paid for.

Toronto, June 9th. 1925.

Lambton Golf Stock

One share of Lambton Golf Club stock, Toronto, wanted at reasonable price. Send particulars to

Box 100
FINANCIAL POST, TORONTO



The Mighty, *Modern* West

Its problems and possibilities will be discussed in the Prairie Provinces Number of The Financial Post

NO LONGER is it possible to block the great prairie provinces in an all-inclusive picture, as a great farm. Yet at the back of a good many minds, that picture still persists.

It is true that the problems of the grain grower and mixed farmer are still, and always will be, vital problems; but there are a multitude of related issues that are growing in importance that are little understood by the majority of Canadians.

It is the intention in this issue, devoted especially to this great section, to present many of these important problems. It will not be a boom issue. It is not conceived with the idea of propagating any false note of optimism. But it will present to business men, bankers, merchants and other community leaders a picture of the sturdy prosperity of this section; will deal with its great and growing opportunities; and the steady enlargement of its activities and interests.

It will present a true picture of Western conditions from every angle. The editorial staff writers of The Financial Post will cover the provinces to secure this information, and to secure it at first hand. J. W. Tyson, editor of The Post, a man with a western background, is himself visiting all the important western centres in connection with this issue.

The issue, we believe, will be a contribution to the history of the growing West, and to the cause of Canadian unity.

What they said in the Maritimes about The Maritime Provinces Number of The Financial Post, Published April 17th, 1925

The Halifax Herald

"We believe it is for many reasons the greatest single asset in publicity these provinces have so far received. It is different and that is the chief reason for its exceptional value at this time of crisis in Maritime affairs. . . . There is no false prosperity in it; from first to last its pages are given up to discussion of Maritime conditions in the light of all that has been said and done within the past few years."

The Charlottetown Guardian

"The Financial Post has published a magnificent Maritime edition, the best and most influential boost the Maritime Provinces have ever received from outside sources."

The Moncton Times

"The Financial Post, of Toronto, perhaps the leading journal of its class in Canada, brought out a special number last week of which thirty-two pages are devoted to the Maritime Provinces. . . . The Financial Post is deserving of all praise for its efforts to promote Canadian unity by making us better known in its wide circle of readers, embracing as it does so many of the leading business people of the Dominion."

The St. John Globe

"The Financial Post, Toronto, under date of April 17, published a special section dealing with the Maritime Provinces. History, needs, demands, resources, geographical situation and other phases were discussed and special attention is paid to rail and steamship connections."

The Prairie Provinces Number will be as Fine and Tell the Story of the West as Thoroughly

ADVERTISING RATES

One page, 1,600 lines, with 100 copies of the issue	$350
One half page, 800 lines with 50 copies	$175
One-quarter page, 400 lines, with 25 copies	$ 90
One-eighth page, 200 lines, with 12 copies	$ 45

Cost of writing copy, art work and engravings included in these figures.

For regular advertisers contract rates apply.

An Outstanding Advertising Opportunity

Could there be a better time or a better place to present your message, and the West's case in a nation-wide way, to the great audience that is reached by The Financial Post. Use the coupon to reserve space or get further information.

..............................1925

THE FINANCIAL POST,
143 University Ave.,
Toronto.

Confederation Life Bldg.,
Winnipeg.

Reserve for us .... lines space in your Prairie Provinces Number of The Financial Post, to appear Sept. 4th, 1925.

This will include .... copies of the issue.

For this we agree to pay $..................

Name ....

Position ....